FBIS DAILY REPORT

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REPORTAGE ON CONTADORA MEETING IN PANAMA

Ardito Barletta Welcomes Participants

PA130246 Panama City Circuito RPC Television in Spanish 1730 GMT 12 Apr 85

[Statement by Panamanian President Nicolas Ardito Barletta to the Contadora Group and Central American deputy foreign ministers on 11 April, at the Presidential Palace in Panama City -- recorded]

[Text] Let me extend to you a most cordial and affectionate welcome to Panama's Presidential House, with a brotherly embrace of Latin Americans. I also want to stress the great importance we give to the meeting you will be holding today and tomorrow. We give all our support to this opportune encounter of Central American countries, the request for which was made in Brazil to continue our talks and negotiations over pending issues.

We are all aware of the great importance of the times we are experiencing in Central America and the opportunity that is now in your hands as representatives of the political will of the Central American governments and supporters of the governments of the Contadora Group.

We all know there is a right time for such things, which we cannot allow to pass. There are moments when circumstances, attitudes, and factors will permit us to achieve in a short time what has, inch by inch, word by word, and article by article, taken a long time to build. Perhaps through the dialogue you have begun today and will continue tomorrow you can reach one of those moments, so that what has been advanced during the past 2 years through everyone's joint efforts will have a happy ending in the near future.

I exhort you to continue the effort you began today, which I consider highly constructive, extremely cordial, and demonstrative of good communications, so that perhaps tomorrow you can advance to the point of assuring more meetings in the near future to fulfill the task we have undertaken.

Here in Panama we are willing, with all our faith, perseverance, and Latin American spirit, to cooperate with our Central American brothers and the Contadora Group countries to prove that Latin American initiatives are the real formulas to find the path of peace and cooperation which, in the last instance, we know is the only path we should and must take.

'Some Agreements' Reached

PA130059 Hamburg DPA in Spanish 2352 GMT 12 Apr 85

[Text] Panama City, 12 Apr (DPA) -- The deputy foreign ministers of the Contadora Group and Central America have reached some agreements on the "Document for Peace and Cooperation in Central America" at the 2-day meeting held in Panama City.

The Contadora Group was represented by Ricardo Valero (Mexico), Jose Maria Cabrera (Panama), Laura Ochoa (Colombia), and Eduardo Soto (Venezuela), who replaced German Nava. The Central American countries were represented by Victor Tinoco (Nicaragua), Jorge Urbina (Costa Rica), Joaquin Maza (El Salvador), Jorge Hernandez (Honduras), and Alfonso Alonso Lima (Guatemala).

The first agreements of the nine (authorized) plenipotentiaries refer to the security area in the section on "control and verification mechanisms for the document's commitments." Within the mechanisms approved was a "permanent commission of verification and control" with full powers.

This commission will be made up of five representatives from Central America, one for each country, and four delegates from four countries outside the Contadora Group. One of those countries will be Canada, and another will be Spain. They also agreed on the functions of this "permanent commission," which will have to approve its work plan within the next 30 days.

Another agreement refers to the creation within the scheme of the "verification and control mechanism" of an international body of qualified inspectors. These inspectors will have the delicate task of confirming in each country the security situation in terms of armament, troops, military advisers, and so on. The inspectors will be appointed by the "permanent verification and control commission," and they will submit periodic reports to this commission on the situation in each country.

The nine deputy foreign ministers also advanced considerably in today's session on aspects of "each country's commitments on matters of armament, troops, foreign bases, military advisers, and arms traffic.

On the matter of armament, there was not total agreement as there are still substantial differences in that respect. The draft document being discussed by the nine deputy foreign ministers establishes that on matters of armament and troops it must be agreed to immediately stop the arms buildup and to establish limits on arms and the number of military troops in each country. Nicaragua made some observations concerning the limitation, claiming that "it is being attacked by a world power and needs to arm itself for its defense."

There was no agreement on the section in which each country is committed to not acquire more war materiel and to submit military inventories. Foreign bases in Central America were discussed, and it was pointed out that such installations are not authorized in the region and those bases already in existence must be eliminated. On the matter of foreign military advisers in Central American countries, there was a semantic type of discussion of military versus civilian advisers. There was no definite agreement on this point.

The deputy foreign ministers will prepare an official document on the outcome of the meeting, described by Panamanian Deputy Foreign Minister Jose Maria Cabrera as "most positive."

Mexico's Valero on Results

PA131940 Panama City Circuito RPC Television in Spanish 1700 GMT 13 Apr 85

[Text] The meeting of the plenipotentiaries of the five Central American countries summoned by the Contadora Group ended last night without concrete results. However, a bulletin released at the end of the 2-day meeting held in Panama City states that the objectives of the meeting were satisfactorily achieved since the countries of the area once again expressed their political will to achieve a stable and lasting peace. Ricardo Valero, the Mexican deputy foreign secretary, explains the outcome of the meeting:

[Begin recording] The fundamental mechanisms included in the chapter on the execution and follow-up of commitments were approved. What I am trying to say is that the summons to this meeting was to discuss matters pending for the final approval of the document. Among the pending matters there was one that was the most important and around which the discussions of this meeting revolved, that is, execution and follow-up mechanisms of the commitments included in the document. We discussed the creation of a commission to study the subject of verification and control in the area of security, and a third commission, an ad hoc commission, that will be responsible for the supervision of the fulfillment of the commitments made in the economic and social matters. This was what was basically approved. However, there were no concrete agreements reached in some areas of the security aspect, but these only need some final adjustments and changes. [end recording]

Nicaragua's Tinoco Comments

PA121407 Managua Radio Sandino Network in Spanish 1218 GMT 12 Apr 85

[Text] Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco has asserted that Nicaragua has reiterated its willingness to sign, without changes, the peace document proposed by the Contadora Group, to which some technical finishing touches [afinaciones tecnicas] are being added at the suggestion of other Central American countries.

Tinoco, who is attending the meeting of deputy foreign ministers that will close in Panama today, said that the document submitted by the Contadora Group with regard to verification and control mechanisms for any possible agreement is good and is a profound path toward peace. We will now broadcast an exclusive interview granted by Tinoco to the "Extra" newscast in Panama City:

[Begin recording] [Tinoco] This document was recommended last week by the four Contadora countries, and Nicaragua has clearly stated that it considers the document very positive and has even proposed acceptance of the document without any changes or modifications. Nevertheless, some Central American countries insited that they wanted to make some changes to the document. At this time, we are discussing these changes. I would say that a general effort is being made, and that Nicaragua in particular is making efforts to advance the Contadora negotiation and peace process, which has been seriously criticized in the past few days by the U.S. Government, particularly for [word indistinct] policies and practices, and policies (?which are not military).

[Question] What is the Nicaraguan Government's attitude toward signing the control and verification document presented by the Contadora Group?

[Tinoco] Yesterday we officially proposed to the five Central American countries the acceptance of that document without any modifications. However, some Central American countries, especially those from the Tegucigalpa group -- El Salvador, Honduras, and Costa Rica -- insisted that changes must be made. We are now discussing possible changes. From the beginning Nicaragua has reiterated its full support of the Contadora proposal.

[Question] As the Nicaraguan Government representative, do you feel that positive agreements will result from the negotiations and that the Central American crisis will be resolved?

[Tinoco] Since modifications of the document have been introduced by some Central American countries, and some of those modifications are considerable, we may not advance as much as we could have if there had been a more positive attitude on all sides. However, I think that some advancements will be made in the discussions regarding verification and control. Because of the modifications requested, it may be difficult to conclude the job at this meeting. We may need one or several more meetings to fully define the issue of verification and control.

[Question] How do you evaluate the support that the Contadora Group has received from governments and political and diplomatic personalities throughout the world in response to the rejection of the Ronald Reagan peace proposal?

[Tinoco] We think that the principle espoused by the Contadora Group has been very important in the sense that the Contadora Group believes in nonintervention in others internal affairs. It is important to state that as a result, the proposal made by President Reagan to impose on Nicaragua a dialogue with the U.S. mercenaries has virtually been rejected at the Contadora meeting, where discussion of this proposal has been rejected. [end recording]

CLARIN PUBLISHES REAGAN LETTER TO ALFONSIN

PY122122 Buenos Aires CLARIN in Spanish 12 Apr 85 p 7

[Text] U.S. President Ronald Reagan sent a letter to his Argentine counterpart, Raul Alfonsin, exactly 1 week ago. In the letter, Reagan outlines his recent "peace plan" for the Central American region which, he said, is designed to achieve "reconciliation based on dialogue and truly democratic elections" in Nicaragua. In the letter he sent to Alfonsin prior to his 8 April telephone call, the U.S. President refers to the recent talks the two presidents held in Washington and notes that the Argentine president has "a deep interest in searching for a peaceful solution to the Central American problems." The full text of the letter is transcribed below:

"Dear Mr President:

"Yesterday afternoon I made an announcement regarding my request that Congress take action to strengthen the democratic opposition forces in Nicaragua and, at the same time, to encourage the Sandinists to seek a peaceful solution to their domestic conflicts. I am sending you this message because I know, based on the talks we held last month, that you have a deep interest in searching for a peaceful solution to the Central American problems.

"The actions of my government are designed to support the efforts of the Contadora countries. One of the basic objectives of Contadora has been to promote reconciliation in those countries torn by domestic conflict. I believe we have an important opportunity to promote national reconciliation in Nicaragua. As you know, on 1 March the main leaders of Nicaragua's democratic opposition groups signed a declaration in San Jose, Costa Rica, in which they proposed a cease-fire if the Nicaraguan Government agreed to hold a dialogue with the mediation of the Nicaraguan bishops.

"I am requesting that Congress allocate $14 million for the Nicaraguan resistance forces. These funds will be used only for humanitarian aid while the Nicaraguan opposition's call for dialogue remains in force. I will ask the democratic opposition to extend its offer until 1 July. If the Sandinists fail to respond positively to the 1 March proposal, or if no agreement has been reached within 60 days upon their acceptance of the proposal for dialogue, then I will lift this restriction imposed on the U.S. aid, unless the democratic opposition asks me to maintain the restriction.

"I am conveying this information to you because I know the significance you attach to achieving a negotiated agreement to the Central American conflict on the basis of a verified implementation of the 21 Contadora objectives, peace will not be achieved in Central America until the Nicaraguan armed conflict is brought to an end through reconciliation based on dialogue and truly democratic elections. The two sides should work together to promote the historic opportunity of conciliation based on the Nicaraguan opposition's proposal to hold a dialogue with the mediation of the church.

"Yours sincerely, Ronald Reagan."

PRESIDENT PRAISES BEAGLE TREATY WITH CHILE

PY122302 Buenos Aires TELAM in Spanish 2131 GMT 12 Apr 85

[Text] Buenos Aires, 12 Apr (TELAM) -- President Raul Alfonsin this afternoon stated that the peace and friendship treaty with Chile, achieved thanks to the mediation of Pope John Paul II, is a lasting fact and has closed the lid on a more than 100-year-old border conflict.

In a declaration issued at Government House, Alfonsin emphasized that the efforts for the integration of the two peoples will acquire a pace and decisiveness which had been long absent because of this conflict. He added that the conclusion of this conflict is an example of our staunch respect for the principle of the peaceful solution of all conflicts.

ALFONSIN WARNS OF WORSENING ECONOMIC CRISIS

PY131615 Buenos Aires BUENOS AIRES HERALD in English 13 Apr 85 p 1

[Excerpt] (NA-DYN) -- "We're going to go through some tough times" and the months ahead will be "more difficult than the present," President Raul Alfonsin said yesterday. For the second time in two days, Alfonsin warned Argentines that the socio-economic crisis would get worse before the economy gets better. But the president, during a meeting with directors of the Senior Citizen's Medical Insurance Plan (PAMI), added that the government is "multiplying efforts" to get the country back on its feet.

"We're convinced that things are going along all right, even with the expected discussions" among social sectors, the President said. "The superficial disorders that are sometimes produced in democracy" are likewise to be expected, he added.

In an interview published by THE WASHINGTON POST last Thursday, Alfonsin painted a gloomy picture of upcoming months, saying Argentina is entering a "rough period" of social and political strife. Alfonsin yesterday also warned of the "serious economic crises, the increase in violence, the weapons race and the progressive confrontation between the superpowers" in a dinner address to the Latin American Association of Engineers. These problems only "contribute to maintaining and worsening the conditions of poverty and injustice" in developing countries, he added.

ALFONSIN, RADICAL LEADERS PLAN 'COUNTEROFFENSIVE'

PY142232 Buenos Aires BUENOS AIRES HERALD in English 14 Apr 85 p 13

[Text] NA-DYN -- President Raul Alfonsin met for six hours yesterday with cabinet ministers and 20 national congressmen to discuss ways of improving communications between himself and Congress and to plan a "government counter-offensive" against certain opposition groups. Presidential spokesman Jose Ignacio Lopez afterwards reported the meeting included lengthy discussion of "the need to improve co-ordination between the actions of the executive and legislative powers."

Among the congressmen who attended were Provisional Senate Chairman Edison Otero, lower house Speaker Juan Carlos Pugliese and the Radical bloc leaders of both houses, Deputy Cesar Jaroslavsky (Entre Rios) and Senator Antonio Napoli (Rio Negro). The four men also make up a work committee created on Friday to improve communications between Alfonsin and congressmen.

Sources reported that the Radical leaders drafted a counter-offensive to attack certain opposition groups "be they forces from the institutional field or groups working against democracy."

Senate Defence Committee Chairman Antonio Berhongary said before the meeting that last week's incident at the cavalry school in the Campo de Mayo Army base -- where intruders had a brief shootout with conscripts before fleeing -- was to be expected. "We expected these kinds of things would increase as the start of the trial of the former process chiefs near," he said. "These acts have the objective of diverting attention and unsettling the trial."

VICE PRESIDENT RETURNS FROM BULGARIA, ITALY

PY142246 Buenos Aires BUENOS AIRES HERALD in English 14 Apr 85 p 13

[Text] (NA-DYN) -- Vice President Victor Martinez returned yesterday from a tour of Bulgaria and Italy with words of praise for the support of the former on the Malvinas issue and the role of the Vatican in settling the Beagle Channel dispute with Chile.

He also attributed to "tiny destabilizing groups who still do not understand that we live under the rule of law" Tuesday's attack on the cavalry school in Campo de Mayo Army Base by a group armed with automatic rifles and machine-pistols, an incident which was accompanied by an explosion.

Martinez, who met Bulgarian President Todor Zhikov and other senior officials, paid tribute to that country's progress in the last 40 years. He expressed hopes that trade between Bulgaria and Argentina could be tripled in the near future, especially in connection with the food industry. Bulgaria fully supported Argentina's stance against colonialism and in favour of nuclear disarmament, Martinez said.

Turning to his meeting with Pope John Paul II, he told reporters at Ezeiza Airport that the pope had "confirmed his intention to visit Argentina, although of course, no date has been fixed." Martinez described his pleasure at being the first to inform the pope of the Chilean junta's approval of the Beagle Treaty since the news reached Rome only five minutes before his papal audience.

Finally, he said that Argentina's foreign debt was a political and not an economic problem and that Argentina's creditors must understand that.

CAPUTO MEETS JAPANESE OFFICIALS, ARRIVES IN PRC

PY132152 Buenos Aires TELAM in Spanish 1509 GMT 13 Apr 85

[Text] Buenos Aires, 13 Apr (TELAM) -- During a technical stopover in Tokyo on his way to the PRC, Foreign Minister Dante Caputo met with Japanese officials and discussed the possibility of an agreement with Chile that will allow Argentina access to the Pacific Ocean. This report was released today from Beijing by Argentine Foreign Ministry Press Director General Albino Gomez.

Gomez explained that on 10 and 11 April Caputo met in New York with Ambassadors Carlos Muniz and Lucio Garcia del Solar, the Argentine representatives to the United Nations and the White House, respectively. On Friday, 12 April, the foreign minister left for Tokyo, where he discussed with Japanese Foreign Ministry officials, at the level of under secretaries, subjects related to international political and economic issues. According to Gomez, during these talks special emphasis was placed on world trade and the problems resulting from the strong protectionist policy imposed by certain industrial powers. The possibility of Japanese economic and technological cooperation in the petroleum, computer, and microelectronics, and fertilizer fields was also discussed.

He added that the Japanese officials expressed interest in any Argentine-Chilean project that will allow Argentina access to the Pacific Ocean, and in view of this possibility, they voiced assurances that Japan would cooperate in port and highway projects.

PRC Nuclear Accord 'Probable'

HK140708 Hong Kong AFP in English 0650 GMT 14 Apr 85

[Text] Beijing, April 14 (AFP) -- China is likely to sign a nuclear cooperation accord with Argentina, which is already advanced in the nuclear field, the Argentine Embassy said here today. An embassy spokesman said it was "probable" the agreement would be signed during the visit here of Argentine Foreign Minister Dante Caputo, who arrived in Beijing yesterday. No details of the proposed document were given. Argentina is one of the eight leaders of world nuclear technology. As well as two working nuclear plants, a third is being built and a fourth planned. Buenos Aires has also developed its own uranium enrichment facilities. A team of Chinese experts last year visited the country to tour its nuclear projects.

To combat a serious energy shortage, China has mapped out an ambitious nuclear programme, with plans to build ten 1,000-megawatt plants by the year 2,000. The country still has no operational nuclear power stations but is negotiating with Western firms towards building four plants: one in Guangdong, South China; a second in East China's Jiangsu Province, and two more in northeastern Liaoning. Beijing has signed nuclear cooperation agreements with France, West Germany and also with another South American country, Brazil. China has not signed the nuclear weapons non-proliferation treaty -- one of the factors blocking similar agreements with Washington and Tokyo.

The Argentine minister is today to start talks with his Chinese counterpart Wu Xueqian and will also visit a factory, the spokesman said. During his stay Mr. Caputo is also scheduled to meet President Li Xiannian, Prime Minister Zhao Ziyang, and Foreign Trade Minister Zheng Tuobin. Bilateral trade currently runs in Argentina's favour, with Buenos Aires selling an annual 350 million dollars' worth of grain to China in recent years. China's exports to the South American republic, comprising largely textiles, were valued at 20 million dollars in the first six months of 1984.

POSSIBILITY OF EXPORTING WEAPONS DISCLOSED

PY110350 Buenos Aires DYN in Spanish 2350 GMT 10 Apr 85

[Excerpt] Buenos Aires, 10 Apr (DYN) -- Argentina will reportedly export weapons of national production in the immediate future. This was learned at the conclusion of a confidential meeting deputies of the Budget and Finance Committee held with Defense Secretary Horacio Jaunarena.

The confidential meeting was held within the framework of the congressional study of the secret accounts of the presidency and the Defense Ministry. At the conclusion of the meeting, congressional sources revealed the possibility that Argentina will export weapons. It has not yet been established when the exports will begin, although it has been said that they will be in the "immediate future."

The possibility that Argentina will export weapons was admitted by Balbino Zubiri, president of the Chamber of Deputies Defense Committee, who refused to say what type of material will be included in the transactions. Congressional sources indicated, however, that the exports may involve the sale of over 100 Argentine medium tanks (TAM) to Iran, a country that has also been mentioned as a possible buyer of two Navy missile frigates in an operation that has not yet been contracted.

The possibility of exporting Argentine weapons was also admitted by Justicialist Deputy Diego Cuelar, who protested the "lack of a political program for the Armed Forces" to justify the "budget cuts implemented in this sector."

CONGRESS REJECTS ARRIVAL OF U.S. MARINES

PY121520 Paris AFP in Spanish 1323 GMT 12 Apr 85

[Text] La Paz, 12 Apr (AFP) — The National Congress rejected here today the arrival of 1,500 U.S. Marines who, in accordance with agreements signed with the government of Hernan Siles Zuazo, are to carry out joint maneuvers with the Bolivian Armed Forces. The congressmen noted that before the executive branch signed the agreement the National Congress should have studied it, which in fact did not happen. The government, however, stated that it is just a question of implementing an agreement between the Governments of Bolivia and the United States signed in 1959, the year Siles Zuazo began his first constitutional presidential term.

Defense Minister 'Displeased'

PY130324 Madrid EFE in Spanish 0244 GMT 12 Apr 85

[By Juan Maria Calvo]

[Excerpt] La Paz, 12 Apr (EFE) -- Bolivian Defense Minister Manuel Cardenas Mallo today stated his displeasure over Congress' refusal to allow the United States to participate in joint maneuvers with the Bolivian Armed Forces. In the course of a secret session, the Bolivian Congress last night refused to approve a government proposal to allow U.S. military materiel and troops to enter the country in order to conduct joint maneuvers that would last 1 week. Cardenas Mallo, a colonel in the reserves, stated that the arrival of 1,500 Marines would greatly benefit Bolivia because boats, military materiel, and other items would be left behind for the Bolivian Army.

Nationalist Democratic Action (ADN), the party of General Hugo Banzer Suarez who is one of the most likely candidates to win the 14 July elections, has issued a statement in favor of the joint maneuvers, according to ADN Deputy Guido Camacho.

Some of the members of the congressional Defense Committee whom EFE questioned today refused to make any statements on the subject on the ground that the meeting was secret.

According to a La Paz radio station, there is unrest among the Armed Forces, which hope that Congress will review its decision curtailing the maneuvers scheduled to take place form 29 April through 8 May.

More on Maneuvers

PY131925 Paris AFP in Spanish 1732 GMT 13 Apr 85

[Text] La Paz, 13 Apr (AFP) -- On 29 April, 108 members of the U.S. Armed Forces will arrive in Bolivia to carry out joint maneuvers and training with the Bolivian Army in the Valle Alto and Chapare regions, in the center of the country, according to an official report issued in La Paz today.

The Defense Ministry and the military high command denied a report that 1,500 U.S. Marines would come for training and civil action operations. It was also denied that the national sovereignty would be in danger.

Last Thursday, the National Congress decided not to consider a petition [not further explained] from the Armed Forces, believing that the maneuvers are being carried out in accordance with bilateral agreements that were not approved by the legislative branch and which therefore lack constitutional authorization.

In turn, U.S. Ambassador to Bolivia Edwin Corr issued a communique stating that the purpose of the operations is to train the Bolivian military according to the plans of the high command of the Bolivian Armed Forces. The document also says that the U.S. will provide Bolivia with four helicopters, one transport airplane, two jeeps, and one motorboat, besides parachutes and communications and arms materiel.

According to the report presented by the Bolivian military authorities to Congress, a program on sanitation and health will be conducted to improve the living conditions of the people and the construction of their homes during the 10 days of the operations.

Some opposition sectors harshly criticized the official decision to accept the Marines because the operations will be carried out in peasant regions where problems and encounters had taken place on account of the large coca leaf production, which greatly surpasses domestic needs.

EL DIARIO EDITORIAL SEES CUBAN INTERVENTION

PY121900 La Paz EL DIARIO in Spanish 2 Apr 85 p 2

[Editorial: "Cuba and Bolivia"]

[Text] Once again, Cuba has demonstrated an unusual interest in Bolivia. When talking about the Latin American economic crisis, Prime Minister Fidel Castro himself referred to Bolivia and to its alarming debt in particular. The official Communist Party newspaper GRANMA has referred repeatedly to Bolivia in the past few months, and this not a coincidence. Cuba intends to justify the Bolivian crisis by blaming U.S. imperialism. Cuba does not recall that the Bolivian crisis is a result of a bad policy conducted by the Democratic and Popular Unity [UDP], of which the Bolivian Communist Party [PCB] was and still is a prop as a coalition member, or as part of the government.

GRANMA not only informs, but it also makes evaluations, and for this purpose it has experts on its staff who are advisers for Cuban policy. GRANMA has put aside all its former praises of the UDP and PCB to earnestly try to justify the Bolivian crisis, a crisis for which, frankly speaking, Cuba is also responsible, considering that it had given advice to the UDP members, directly or otherwise. Therefore, this is not the moment to wash its hands.

Shortly before the UDP was installed, the Cuban internationalist line gave aid and advice to the movement of the Revolutionary Left [MIR], which then started stumbling along the Cuban line in both internal and external policy. However, the Cuban school influenced the MIR leaders, and many of them even copy the manners and oral expressions of the Cuban leader.

The Cubans were very careless in handling the numbers of the Bolivian exports mentioned by their leader. According to the National Statistics Institute, exports in 1983 amounted to $760 million. It should be known that 90 percent of that money was used to pay for imports of food, medicines, inputs, machinery, and so on, either through direct means or after the dollars had completed a to-the-black-market-and-vice versa circuit. Anyway, the dollars went abroad.

In 1967 Cuba made a mistake by sending Che Guevara to fight an international guerrilla war that damaged national sovereignty. Cuba also made a mistake when it considered that Bolivia could be a propitious territory in which to install a Cuban-Soviet enclave for the purpose of enraging the United States and opening another communist front in this part of the continent. As seen, the only ones who have been harmed are the Bolivians, and there is no compassion for this, not even from the Cubans or their government, which intended to fully intervene in Bolivian matters. They have failed!

IMPORTANT DRUG TRAFFICKER CAPTURED BY POLICE

PY131850 Paris AFP in Spanish 1323 GMT 13 Apr 85

[Text] La Paz, 13 Apr (AFP) -- The Bolivian police told AFP here today that one of the most important drug traffickers in Bolivia, Hernan Chavez Antelo, has been captured in Cochabamba (central part of the country), carrying 41 kg of cocaine. Chavez Antelo's arrest took place after exhaustive investigations were carried out in the cities of La Paz and Santa Cruz (eastern part of Bolivia).

Moreover, an increase in the struggle against drug trafficking has been noted since U.S. Senator Paula Hawkins demanded the total suspension of U.S. economic aid to Bolivia until cocaine production is reduced by at least 10 percent.

LEFTISTS TRYING TO JOIN FORCES FOR ELECTIONS

PY122312 Paris AFP in Spanish 2205 GMT 12 Apr 85

[Text] La Paz, 12 Apr (AFP) -- It was reported here today that Bolivia's left-wing parties are evaluating the possibility of joining forces so as to offer an option to the nation in the general elections slated for this 14 July. Pablo Ramos Sanchez, the current rector of the Greater University of San Andres, the largest in the country, would be the presidential candidate, and his vice president would be mining leader Filemon Escobar, who is believed to be one of the most representative leaders of the Bolivian left.

The efforts to unite left-wing organizations include invitations to the following parties: Antonio Aranibar's faction of the Movement of the Revolutionary Left (MIR); the Masas faction of the MIR; the Bolivian Communist Party (PCB); the Borth faction of the Socialist Party-One; the Popular Patriotic Bloc (BPP); the 4 March Coordinating Board, a union grassroots group; the Marxist Leninist Communist Party; and the Revolutionary Party of the Nationalist Left (PRIN) led by Juan Lechin Oquendo. Thus, Lechin Oquendo has decided to remain as executive secretary of the Bolivian Labor Federation (COB) and give his support to the setting up of a broad left-wing front.

For the time being, the following parties have guaranteed that they will participate in the elections: the Historical faction of the National Revolutionary Movement (MNRH) of Victor Paz Estenssoro; Hugo Banzer's Nationalist Democratic Action (ADN); the Vanguard faction of the MNR of Carlos Serrate; Jaime Paz Zamora's MIR; and Isaac Sandoval's United Left.

ELECTORAL COURT HEAD SAYS OBSTACLES OVERCOME

PY130150 La Paz Cadena Panamericana in Spanish 0000 GMT 13 Apr 85

[Excerpts] In an exclusive statement to Radio Panamericana, National Electoral Court President Dr Edgar Oblitas announced that after meeting with Finance Minister Francisco Belmonte, the last obstacles to financing the elections as provided for by law have been ironed out and overcome.

Oblitas today held a lengthy meeting with the finance minister. After the meeting, Oblitas told Panamericana that everything has been ironed out and that nothing can now prevent the elections from being held.

REPORTAGE ON PRESIDENT TANCREDO NEVES' CONDITION

'No Chance' Without Machines

PY141705 Madrid EFE in Spanish 1346 GMT 14 Apr 85

[Text] Sao Paulo, 14 Apr (EFE) -- Brazilian President elect-Tancredo Neves, who is being kept artificially alive at the intensive care unit of the Sao Paulo Heart Institute, has no chance for survival without the machines that are helping him, according to one of his advisers. Regardless of the weak signs of recovery detected in the early morning hours, a presidential adviser cited today by JORNAL DO BRASIL stated that Neves is no longer responding. The president-elect [title as received] has no chance for survival should the machines that keep him alive be disconnected, the official source told JORNAL DO BRASIL.

Condition 'Irreversible'

PY142130 Sao Paulo Bandeirantes in Portuguese 2054 GMT 14 Apr 85

[Live report by Maria Fida from the Sao Paulo Heart Institute]

[Excerpt] The latest official information on the state of health of President-elect [title as heard] Neves' was released by the press secretary of the presidency at 1615 through a note stating that the clinical picture remains unchanged, that hemodialysis continues and that his breathing is assisted by a respirator. The communique also said that the physicians consider the condition to be very serious.

This is the first time that the press secretary of the presidency has used the phrase very serious in its official bulletins, and, as we learned from a source close to the medical team treating the president, that the clinical condition is irreversible. More information from the Heart Institute by reporter Bahia Filho:

[Bahia Filho] Hello, Maria. The information comes from advisers to the presidency: The president's condition began to worsen at 0700 today and after the official bulletin released at 1615 his condition continues to be critical.

Information that has just leaked from the Heart Institute says that the president is breathing artificially, and that the general picture is very serious. More information from Lazaro Roberto:

[Lazaro Roberto] Hello, Bahia. The police in front of the Clinical Hospital of the Heart Institute are not allowing cars to stop on Republica Avenue. Sao Paulo Governor Franco Montoro and Health Secretary Joao Yunesare are still inside the Heart Institute. Father (Lao) is officiating a religious service on the fourth floor of the Heart Institute.

Funeral Plans Prepared

PY150559 Sao Paulo Radio Bandeirantes in Portuguese 0510 GMT 15 Apr 85

[Text] We have just received the Monday 15 April issue of FOLHA DE SAO PAULO with a headline that reads Tancredo is dying, a lung support system and a kidney dialysis machine are keeping him alive. The medical team believes that only a miracle will save Tancredo Neves. The item the newspaper devotes to Neves' state of health describes the president's real condition as reported by Marcelo Junior an hour ago, as having had negative changes.

What catches one's attention in that front page item in the FOLHA DE SAO PAULO is the assertion that Tancredo Neves has been kept alive during the day by a respirator and a kidney dialysis machine, without which his demise could not have been delayed. Early in the evening the president's condition had stabilized, and nothing was reported about deterioration, but this does not mean there is any hope for recovery.

The FOLHA DE SAO PAULO item ends by saying that the procedures for the funeral of Tancredo Neves have already been established: The Presidential Press Secretary Antonio Brito will announce the president's demise 5 minutes after the physicians pronounce him dead. An hour later, Acting President Jose Sarney will address the nation over a nation-wide radio and television hookup; the body of Tancredo Neves will be embalmed, and will be taken in an emergency rescue vehicle to the Congonhas Airport; the procession will follow the Reboucas Avenue, Brasil Avenue heading toward Ibirapuera, and as it reaches the monument to the Constitutionalist Soldier a cannon will fire 21 salvos and the authorities will be lined up by the obelisk. The truck will continue down the Ruben Bertha to the airport.

This FOLHA DE SAO PAULO item counting the final minutes of the president's life closes by saying that after his death, the body will lie in state at the National Congress for 2 days; and finally it will buried in Sao Joao del Rei, Minas Gerais, President Tancredo Neves' birthplace.

Breathing 85 Percent Assisted

HK150652 Hong Kong AFP in English 0646 GMT 15 Apr 85

[Text] Sao Paulo, April 15 (AFP) -- Brazilian President-elect [as received] Tancredo Neves was reported in "critical" condition at 0530 GMT today, undergoing dialysis to purify his blood. A presidential spokesman said the 75-year-old president's breathing was "85 percent assisted", according to doctors.

Mr Neves has been in the heart hospital here since March 26 when he was rushed from Brasilia following complications after intestinal surgery. He was first operated on the day before he was due to be formally sworn in on March 15.

Condition Unchanged

PY151408 Rio de Janeiro Radio Globo in Portuguese 1352 GMT 15 Apr 85

[Report by Presidential Press Secretary Antonio Brito from the Sao Paulo Heart Institute in Sao Paulo -- live]

[Text] There have been no significant changes in the president's health. The doctors are continuing the ultrafiltration process of Dr Neves' blood. His blood pressure and temperature continue to be controlled through medication and his breathing continues to be assisted.

In view of these procedures, there have been as I have already said, no significant changes in the state of health of the president, which is still described as very serious by the doctors. Thank you.

SENATE PRESIDENT CALLS URGENT MEETING

PY142200 Madrid EFE in Spanish 2127 GMT 14 Apr 85

[Text] Brasilia, 14 Apr (EFE) -- Senate President Jose Fragelli today called his colleagues to an urgent meeting as soon as he learned about the hopeless state of President-elect [as received] Tancredo Neves' health.

The last report that was released by Antonio Brito, presidential spokesman, at 1800 said that Neves is not in a coma.

Even though today is Sunday, the doors of the Senate were opened by the appropriate duty personnel so that the meeting could be held.

Jose Sarney, acting president, is receiving the reports from the Sao Paulo Clinical Hospital through a direct telephone link between the Jarubu Palace, the residence of the vice president, and the intensive care unit in which Neves is fighting for his life.

Fragelli, in a voice choked with emotion, this afternoon told the press that he had called a meeting in order to follow the developments of the situation. Our duty is here in the Senate, the politician said. Official sources today confirmed to EFE that the government has already adopted the necessary measures for a state funeral.

Several political authorities, visibly emotional, have begun to arrive at the hospital where the president is located. The Federal Police have ordered the reinforcement of the area in order to control the thousands of people who are crying over what seems to be the imminent demise of their leader.

Fragelli Denies Special Session

PY150315 Sao Paulo Radio Bandeirantes in Portuguese 0236 GMT 15 Apr 85

[Report by Carlos Rodrigues from Brasilia]

[Text] Senate President Jose Fragelli, and the other Congress members who had been following the developments concerning President Tancredo Neves' condition since late in the afternoon here at the Congress building are now returning home. Senator Fragelli said that he was informed from Sao Paulo that the president's condition has improved a bit and that his clinical picture remains stable. He pointed out that even though there has been some improvement, the patient's condition is still very serious. Senator Fragelli said Congress has not been summoned for a special session.

SNI HEAD SAYS ARMED FORCES NOT ON STATE OF ALERT

PY150050 Paris AFP in Spanish 0033 GMT 15 Apr 85

[Text] Brasilia, 14 Apr (AFP) -- General Ivan de Souza Mendes, the chief of the National Intelligence Service (SNI), tonight stressed in Brasilia that the Brazilian Armed Forces are not on a state of alert as a consequence of the deterioration of the state of health of President-elect [as received] Tancredo Neves. In a brief statement to Brazilian journalists, Mendes added that the situation is normal and calm throughout the country and that there is nothing to justify mobilizing the Armed Forces. Tancredo Neves' condition continues to be very serious, according to the last official bulletin that was released tonight by the doctors of the Heart Institute of Sao Paulo, where Neves has been hospitalized since 26 March.

LABOR MINISTER FAILS TO STOP METALWORKERS STRIKE

PY130356 Rio de Janeiro O GLOBO in Portuguese 12 Apr 85 p 1

[Text] As a result of the strikes being staged by 256,000 metalworkers in the ABC area [Sao Paulo industrial belt] and in some cities in the interior, 3,000 vehicles were not assembled yesterday on the Sao Paulo assembly lines. Labor Minister Almir Pazzianotto and Sao Paulo Governor Franco Montoro have failed in their efforts to get the strikers to accept the new proposal made by the employers: a 4-percent bonus for increased productivity, a 100-percent salary increase for all levels based on the national consumer price index, and a gradual reduction in working hours. The production of pipes for the Brazilian Petroleum Corp [Petrobras] and parts for the Itaipu power plant have also been affected. Even the Specialized Engineers, Inc. [Engesa], which manufactures weapons, is on the verge of being paralyzed. The metalworkers are planning to continue their strike until 15 April, even if an agreement is reached, and thus car exports may be hurt.

Strikers Switch to Slowdown

PY151113 Sao Paulo Radio Banderirantes Network in Portuguese 1000 GMT 15 Apr 85

[Text] As of today Sao Paulo metalworkers will switch from strike to slowdown on other types of stoppages in keeping with the conditions prevailing at each factory. Meanwhile car manufacturers which have lost sales worth approximately 300 trillion cruzeiros are trying to reach separate agreements with the various metalworkers unions.

HEAVY RAINS, FLOODING LEAVE 400,000 HOMELESS

PY131825 Sao Paulo Radio Bandeirantes Network in Portuguese 1555 GMT 13 Apr 85

[Text] There are now more than 400,000 people homeless in the northeastern region in Brazil. The situation has become worse in Rio Grande do Norte where 17 muncipalities have about 58,000 homeless persons. Ceara has the greatest amount of affected people: 155,000 homeless scattered in 33 municipalities. There are 117,000 homeless in 40 municipalities in Maranhao, where it is still raining.

PINOCHET RATIFIES BEAGLE TREATY WITH ARGENTINA

PY121840 Santiago Domestic Service in Spanish 1730 GMT 12 Apr 85

[By Daniel Ortiz]

[Excerpts] In a solemn ceremony held a little after noon today at Government House, President Pinochet ratified the peace and friendship treaty that was approved yesterday by the government junta. The ceremony was held at President Pinochet's office and was attended by Foreign Minister Jaime del Valle and those journalists accredited to Government House who were especially invited to witness this historic event.

After the signing ceremony, Foreign Minister Jaime del Valle talked with journalists and read the document that minutes before had been signed by the president. Following is the reading of the document by Foreign Minister Jaime del Valle:

[Begin recording] I will now read the document through which the president today ratified the peace and friendship treaty between Chile and Argentina.

Chilean President Augusto Pinochet Ugarte, Whereas: The Republic of Chile and the Republic of Argentina signed a peace and friendship treaty in Vatican City on 29 November 1984;

Whereas: This treaty has been approved by the honorable Chilean Government junta;

In keeping with the powers invested in me by the Constitution, I hereby ratify this treaty and pledge upon the honor of the nation that it will be fulfilled.

Therefore, I sign this instrument of ratification which is sealed with the national coat of arms and signed by the foreign minister on 12 April 1985.

Signed: Augusto Pinochet Ugarte, captain general and president of the Republic, Jaime del Valle Allende, foreign minister. [end recording]

FOREIGN MINISTER COMMENTS ON RELATIONS WITH U.S.

PY122247 Santiago EL MERCURIO in Spanish 5 Apr 85 pp C 1, C 4

[Excerpt] Foreign Minister Jaime del Valle yesterday said the "from what I can sense here in Chile, the Communist Party does not favor a transition toward democracy, neither one chosen by the government nor any other sector, because the communists are just not interested in democracy."

The foreign minister noted a recent statement by Langhorne Motley, U.S. assistant secretary for inter-American affairs, who said that it will be difficult to have a peaceful problem-free transition toward democracy in our country because the Communist Party is not interested in a democratic commitment. Minister Del Valle maintained that the Communist Party will always hinder a transition toward democracy, "because they just are not interested in it."

The minister also said that Hernan Felipe Errazuriz, the Chilean ambassador to the United States, has returned to Chile because the nation's representatives are periodically summoned to brief the government on their activities.

Del Valle said that a visit by U.S. congressmen has been scheduled but will be announced later when it is certain that the visit will be made. The foreign minister then pointed out that Ambassador Errazuriz has come to give a full evaluation of Chilean-U.S. relations. When asked about the current state of these relations, Del Valle answered that they are "very normal, perfectly normal. And precisely because we want to invigorate these relations and keep them normal, we need to be kept periodically informed."

Regarding the resolution passed yesterday by the Foreign Affairs Committee of the House of Representatives condemning the Chilean Government, the foreign minister said that "that type of resolution has been approved more than once and it is precisely one of the subjects to be discussed with the ambassador." The minister added, however, that the final outcome should be awaited since it could change. "I think that we should not make any statements yet but wait for the development of events."

In response to a question on whether the recent acts of violence will affect the relationship with the United States, Del Valle said: "No, not at all, absolutely not. One of the things the ambassador told us is that everything is normal, and like everyone else, he, too, is awaiting the results of the investigations."

DINACOS DISCLOSES TERRORIST FRONT'S OPERATION

PY122222 Santiago Domestic Service in Spanish 1730 GMT 12 Apr 85

[Excerpts] Security officials have uncovered a terrorist plan named "Operation Torch" which calls for the killing of the security personnel in charge of the installations of television Channels 13, 11, and 7 located on San Cristobal Hill. This was disclosed by Jose Miguel Armendariz, chief of the National Social Communications Agency, Dinacos, through an official communique which reports that one of the two individuals involved in a clash with Carabineros at (Kilin) Circle was a dangerous subversive criminal. He has been identified as Christian Ambrosio Menezes Torres, who resided at 1751 Ingeniero Lloyd, in the Quinta Normal District, where National Intelligence Center personnel discovered a large amount of explosives, guns, and blueprints for carrying out future violent actions.

Armendariz noted that exactly as was reported after the theft of the car belonging to Antonio Balbontin, the terrorists planned to use this vehicle in terrorist actions.

Menezes Torres carried out his clandestine activities with a false identification card issued in the name of Carlos Enrique Ramirez Ferreira. Menezes Torres, subversive criminal Luis Ernesto Cesar Gonzalez Silva, and others who have escaped are members of a special combat detachment of the Manuel Rodriguez Terrorist Front [as heard], an armed branch of the outlawed Communist Party.

The Dinacos director added that after studying the identification papers confiscated from the terrorist, security personnel raided the house he rented at 1427 Arturo Pratt Street in Santiago. Armendariz added that personnel are studying whether the guns that were confiscated from the extremists were used in violent actions during the so-called peaceful protest demonstration held in 1984. He added that among the documents confiscated there was a detailed report of a bloody plan called "Operation Torch."

[Begin Armendariz recording] Among the documents that were confiscated, we must report that we found a detailed study that included blueprints, maps, and precise information on this so-called "Operation Torch," which calls for the killing of the security personnel in charge of the installations of television Channels 13, 11, and 7 located on San Cristobal Hill in Santiago. This plan also calls for the destruction of these television towers and annex installations. [end recording]

FEBRES CORDERO MEETS VENEZUELA'S LUSINCHI

Holds Press Conference

PA120358 Quito Voz de los Andes in Spanish 1130 GMT 11 Apr 85

[Text] In referring to the conflict between the executive branch and Congress, President Leon Febres Cordero stated in New York that discrepancies are characteristic of democracy. Speaking at a press conference in the United States, the Ecuadoran president said that under no circumstances would he step outside the constitutional framework. He spoke of the possibility of negotiations with Congress that would seek a balance between the branches.

Febres Cordero said that he has always struggled for liberty and that, as he sees it, liberty is not just a political right since it includes economic rights. He said this during a press conference yesterday in New York City.

Report on Meeting

PA120421 Quito Voz de los Andes in Spanish 1130 GMT 11 Apr 85

[Text] It has been reported that the presidents of Ecuador and Venezuela, Leon Febres Cordero and Jaime Lusinchi, respectively, have agreed that it is necessary for the Sandinists to talk with the insurgent opposition. During an approximately 1-hour meeting that the two heads of state held in New York's Henley Palace Hotel, Febres Cordero and Lusinchi discussed the Central American situation, bilateral relations, and the Andean Pact.

The Ecuadoran president repeated what he said in Salinas before leaving the country that there must be a dialogue in Nicaragua to achieve peace. I believe that President Febres Cordero's argument is very timely, Lusinchi said. In Salinas President Febres Cordero stated that he agreed with the proposal made recently by U.S. President Reagan to promote a dialogue between the insurgent guerrillas and the Sandinist government in Nicaragua. Lusinchi said: Febres Cordero and I have analyzed with common concern the Central American situation. Lusinchi said that Nicaragua's problem is not just an internal one since Cuba, the Soviet Union, and the United States are involved.

TEACHERS ANNOUNCE END OF NATIONWIDE STRIKE

PA102047 Quito Radio Quito in Spanish 2300 GMT 9 Apr 85

[Excerpt] The national strike called by teachers has ended and they will go back to work on Thursday. Ramiro Beltran, president of the National Union of Teachers, said the following:

[Begin recording] The extraordinary national council session held today decided to accept the document sent by the education minister. We maintained our position that dialogue would be carried out without lifting the strike. This is the way that the dialogue was held, in other words, respecting the right of the Ecuadoran people, specifically the teachers, to [word indistinct] in this country because one cannot give way to intransigent positions of people who represent [words indistinct]. The national council considered the document to be prudent because it included four essential points in our struggle. These are the reduction of the income tax, the application of the educational reform, the family subsidy, and the immediate payment of the [words indistinct] categories. [end recording]

PRESIDENT ADDRESSES NATION ON ELECTION EVE

PY140312 Lima Domestic Service in Spanish 0100 GMT 14 Apr 85

[National address by President Fernando Belaunde Terry from Government House in Lima -- live]

[Excerpts] Good evening, fellow countrymen and foreign residents who share our love of this land; good evening from Government House, which is also the house of all Peruvians:

By this time tomorrow we will have discharged our duty of voting, of ensuring institutional continuity in the Republic.

I want to express my gratitude not only to the members of the military and police forces who will tomorrow safeguard the election, and who are already doing so, but also to all citizens who will oversee the elections, either as presidents or members of voting stations. I urge all of you, and I am sure you will do so, to act with great impartiality and patriotism in fulfilling this mission, which will also be shared by the members of the various parties.

Without any partisan interests, I want to address my fellow countrymen tonight to make some comments that are closely connected both with the election and with the upcoming presidential inauguration. The first issue I want to discuss is the condition in which we received the government, and the way in which we will leave it. We are in no way interested in casting any shadows over previous administrations. Therefore, we will not pass any judgment but will simply state some significant facts for reference purposes.

At the end of our first term in office, the public debt stood at $800 million. Payment for amortization and interest on this debt required approximately the equivalent of 15 percent of our foreign sales, of our exports. When we returned to power in 1980, thanks to the generosity of the Peruvian people, we found a different situation. A strong inflationary process was already under way, on the order of 70 percent. The foreign debt had increased by a factor of 10 and its servicing was nearly reaching 50 percent of the value of our exports.

Thus the conditions we found in 1980 were entirely different from those that existed when we left the government. But we are not trying to make pointless criticism. We simply want to state facts. Nor do we want to fail to note some important achievements of the previous governments.

In the first place, we found public projects under way which we did not discontinue but supported and continued. We found the armed institutions better prepared, there had been significant improvement in professional and military training schools.

I am also happy to say that we have not claimed only for ourselves the credit for having restored democracy, since the Armed Forces, with patriotism and vision, led the country in the last stage toward the constitutional path. I am happy to recognize this fact because I do not intend to blame our present difficulties on past situations. In what condition will our government leave the country? What is the main difference: We are going to leave a country that has remarkably improved its agricultural capability.

We have been fulfilling constitutional provisions that are quite tough and severe. They set a course for us that we must follow regardless of the efforts it may require.

However, the important thing for the incoming government to bear in mind is that, after all, tomorrow we will have a new Congress and possibly the winners of the first round, if not a new president, which means that there will be people who will have to shoulder an immense amount of responsibility because they will no longer be candidates speaking at public rallies free to speak thoughtlessly. They will have to start shouldering, as I already have for 10 years, the burden of leading a nation and serving a great many people, a nation so poor that in some places poverty and even sorrow are overwhelming. This is serious business, and it means that we must talk of concrete facts. There is no longer room for electoral proclamations, the time has come for concrete proposals from this cabinet and this statesman.

What will be our legacy to the incoming government? Will it be an incurable nation, as some claim? A nation on the brink of disaster, according to others? A country pluged into the worse crisis of its history, as I have heard it said with utmost irresponsibility by those who must have forgotten all about the tragedy of the previous century?

By no means. We will deliver a nation that has some problems, like all countries of this continent, but at the same time a country that can certainly forge ahead, unless we all plunge into pessimism and defeatism. Why do we say that the country will overcome its problems? First of all because our foreign debt problem, although serious enough, is not as bad as that of other countries. I would like to show you, on the screen, a clipping from THE NEW YORK TIMES, a Sunday issue, which carries a graph displaying the status of Latin America's foreign debt. Much has been said about Peru's foreign debt. The foreign debt of the Peruvian Government and the autonomous corporations is approximately $10 billion. Higher figures have been quoted because private foreign debts have been added to it, although even so the overall foreign debt is less than $13 billion. Whatever the case, is the debt of the Peruvian Government manageable, compared to that of other countries?

Neither they nor we will be able to pay the service charges on our debts on time. This does not mean that we can just forget it, not at all. What it means is that we must negotiate with our creditors. Some payments have been deferred, not rejected or unfulfilled, just deferred pursuant to agreements. Naturally, our creditors, which are commercial banks, friendly governments, the IMF which granted some loans to the Peruvian Reserve Bank in the past, belong to different categories, because there are loans from the World Bank, the IDB, the [name indistinct], and Canadian, European, and Japanese aid corporations which are not hard but soft and reasonable loans.

All these debts must be handled in a decisive and punctual manner. We must discuss and agree upon the amounts and types of servicing of government-to-government loans. We must take into consideration, as well, that there are political considerations because there are governments which help us and Peru renders aid as well. There are countries and institutions which sends us things, donations and aid, and we simply thank them, but there are other countries to which we have to pay large sums of money for their goods. This means that aid goes two ways; there is some that comes in and some that goes out. I have an opinion, it is a very personal opinion and I do not want to saddle the entire government with it, that the aid we render is greater than the aid we receive. Thus, the debt problem must be handled, as always, through contacts between debtor countries. A time will come when we will have to reach agreements. Peru is prepared to reach these agreements in the coming months, but we must be realistic. We understand that our creditors would prefer to deal with our successors.

One of the proposals I would like to make today is that once the elections are over the government will be ready to negotiate, discuss, or reach a compromise with our successors to handle the debt problem keeping in mind the nation's only supreme interest, which is to obtain acceptable conditions while upholding Peru's prestige and honor. Therefore, we are bequeathing a difficult situation to the next government. Although there are many problems, like those existing in other countries, our situation is manageable. But in order to manage this situation, and let me volunteer my advice based on 10 years of experience, I would like to ask my successor, no matter who is elected tomorrow or within a month, I want to ask him to assume his responsibilities with optimism. Pessimism will lead to defeat. The only way to keep Peru going is by having faith in Peru. He who does not have faith in Peru should in no way seek to hold this chair. Finally, after these brief remarks, I would like to say that we are both concerned for and prepared for a sound democratic transition. This is the basic objective of this unassuming message I am delivering today.

In the name of my government and of my cabinet ministers who are here with me, I want to state our desire to facilitate the transition. We will strictly respect the outcome of the election. The winner may come and knock on our door: He will be welcome. We have instructed all departments to make available whatever information is necessary. The Planning Institute is already holding meetings with multiparty commissions for briefing purposes. However, later on it will become necessary to move a step further. It will be necessary to save the Peruvian people from the problems stemming from disagreements and worries. Sometimes irresponsible words capable of harming the country are uttered. Fortunately, enough responsibility and straightfowardness has prevailed, allowing us to preserve our reserves of approximately $1 billion, which is quite enough for an electoral phase. However, if later on disagreements, conflicts, and mutual recriminations arise, even under a different government, the Peruvian people will be harmed. To end this speech I would like to say that the Peruvian Government has issued instructions for coordination, that the doors of this Government House will be wide open to our successors be they from our own party or another, and that especially as far as the economic sector and budgeting go, we have asked the authorities to be ready to work on next year's budget with our successors, because the incoming government that will take over on 28 July will have to submit, according to the Constitution, their draft budget to Congress on 28 August. We fully understand that this is too short a deadline. Thus, we want to help as much as possible so that the outgoing and the incoming administrations can work together in this essential document which will guide the first steps of the new administration in 1986. At this time tomorrow the Peruvian people will have made their decision. Theirs will be a democratic decision, a decision that will be complied with as such it will be our victory as well as a victory of the Peruvian people as a whole. Good evening. [applause]

APRA'S GARCIA MAKES PRE-ELECTION SPEECH

PY121135 Lima Cadena Panamericana Television in Spanish 0330 GMT 11 Apr 85

["Text" of speech by Dr Alan Garcia Perez, presidential candidate for the American Revolutionary Popular Alliance [APRA] in Lima -- live]

[Excerpts] Peruvian brothers, companeros [applause] people of my [word indistinct]. At this place where the glory of Admiral Grau, the hope of justice, and the future of our country are all present, we have gathered tonight to confirm our strong will to make the coming 14 April into a great national victory for the Peruvian people. [applause]

We are experiencing one of the worst crises in the history of the Republic, even worse than the one which was suffered as a result of the invasion of our country a century ago [during the War of the Pacific 1879-1883]. The consequences of an inhuman, insensitive and antinational economic policy are to be found on the tables of the people, in their health, and in their unemployment. These are the consequences. Food prices have increased incessantly. Inflation undermines the prosperity of the people. Inflation, little by little, is eroding salaries and robbing us of the right to prosperity. Bread, kerosene, milk, all products, including medicines... I am analyzing and thinking of the Peruvian poor who have to turn their backs on health at the counter and in the drugstore, because they lack the money to relieve suffering and disease. And I say that with an APRA government no one will enrich himself at the expense of the suffering, on the health of the Peruvian people. [applause]

Our money has lost its purchasing power. We may now earn a larger number of soles, but we have a full right to food and health. While this is happening, unemployment is spreading more and more. More companies are closed, more land is abandoned, more peasants come to the cities. These are the consequences of an economic system applied against the people and the country. Now I have come to convene all the people of Peru, because on 14 April there is only one choice: Either we vote for the economic system with its inflation, starvation, and desperation, or we vote for the future and for a nationalist, democratic, and popular government as proposed by APRA. [applause]

Those who have governed have sacrificed the right of national development, which is the right of the people. This government, just as previous ones, has applied an insensitive and antinational policy, a policy which consists of opening the Peruvian market and putting it at the service of the international economy. For 5 years, the government has persisted in buying abroad what should have been produced in the country, providing work for Peruvians. For 5 years, the economic barriers and the borders of the country have been destroyed and dismantled, permitting a host of foreign goods to crush our industry, take away the jobs from our workers, and deprive us of our right to development. We have asked for loans from abroad to buy abroad products which should be made in Peru. What has our country learned from this antinational policy? We asked other countries for loans so we could buy from those same countries, and provide work for their farmers and workers, while taking work from Peruvians [words indistinct]. This economic policy is responsible for inflation, unemployment, misery, and it is against this system we must unify the people of the nation in order to give our country the right of greater development. [applause]

Before you, and before all Peru, I wish to confirm the basic principles of the government which APRA proposes for all Peruvians. We need a nationalist government supported by the efforts of the Peruvian people, a government which does not, as the present one, convert us into a market for international industry; a government to defend employment, production, and the right to development of the Peruvian people. We need a nationalist government to defend the savings of the Peruvians and our right to employment and work. Therefore, we propose to end the harmful and unnecessary imports which have destroyed Peruvian industry for the benefit of only a few importers, alone, and for those who signed the agreements with other countries.

For 5 years, the metal industry has been dismantled. How many workers have lost their jobs there, and how many have been denied jobs? For 5 years, imports have virtually crushed our textile industry. How many hundreds of thousands of Peruvians have lost their employment? We must put an end to this dollar drainage which is a result of the purchase of foreign products, benefiting other industries and countries. I want to tell you that if the Peruvian people vote for APRA and elect me as their president, I will not be president for the benefit of the industry of other countries, but will defend the employment, health, and nourishment of the Peruvian people. [applause]

Nationalism means defending Peru, its industry, and its agriculture, defending employment and prosperity. But nationalism also means preventing the sacrifice of our people for the satisfaction of the appetites of international banking. In the last few years and during the previous governments we have been indebted in an unprecedented way. Now payment is demanded from us. We have said and we repeat that we will pay, that we will honor the Peruvian debt, but later, and not under the conditions and terms they want. Rather than satisfying the appetites of foreign banking we have to satisfy the hunger of our own people, we have to pay the domestic debt of food, health, and employment. We have to defend the right of Peru not to be sacrificed. If Peru votes for APRA, the people will not elect a president of a foreign banking consortium, but a president who will defend the health and nourishment of all Peruvians. [applause]

Nationalism means to know how to give impulse to the capacity of our people and to organize their initiatives, defending them, but also attracting foreign capital to aid us in our efforts. Nationalism is not statism. Statism is the infant and electoral disease of leftism. We need a government which defends Peru, a government which strengthens our productive capacity, but knows how to attract foreign capital, not to take advantage of Peru, but rather to contribute to Peruvian development. In this way, nationalism means to protect the sovereignty of our petroleum industry and mining industry and to organize our consumption of foodstuffs. We have already warned in a special report that APRA's petroleum policy will claim for Peru the percentages and taxes which have not been paid so far, leaving without effect the tax exemptions which the present government generously granted and which have meant a loss of Peru of over $500 million. [applause]

This is what we propose to do in dealing with foreign capital. Some people say that we need capital from anywhere and in any way. This is antinationalist surrender. Others say that we do not need it. This is the utopian and statist concept. We say that the problem is to know how to negotiate. The problem is to attract capital with dignity and under conditions of equality, and to know how to guide the petroleum capital so that it buys from Peruvian industry, so that little by little it incorporates Peruvian technology. The problem is to know how to negotiate pragmatically and realistically, without the weakness and negligence of the representatives of the present government who have allowed the petroleum companies to rob our people of millions of dollars. [applause]

I greet you all as a brother standing before you. Whatever the results on 14 April, I will continue working for Peru, working... [applause, cheers, chants of "Alan for President"]

I want to tell you that the president should just be another one among you. I think and live just as you, I suffer for Peru just as you, and I will struggle together with each of you until our country has justice, prosperity, democracy, and opportunity for all its children. [applause] This is all, fellow citizens, this is all for tonight. [applause]

TERRORIST ACTIONS ATTEMPT TO DISRUPT ELECTIONS

Subversive Plan Uncovered

PY130242 Paris AFP in Spanish 1925 GMT 12 Apr 85

[Text] Lima, 12 Apr (AFP) -- According to police sources, a vast subversive plan aimed at thwarting the elections to be held on Sunday, 14 April, was disrupted with the arrest last week in Peru of alleged terrorist Claudio Teran Sanchez, alias Carlos. The plan, which included attacks on police stations, headquarters of political parties, and polling places, was supposed to be implemented simulataneously in three departments. According to information not officially confirmed, the subversive plan was uncovered with the arrest of Claudio Teran, Companero Carlos, last week at the Jorge Chavez International Airport when he was about to leave for Ayacucho, 575 km southeast of Lima.

The police caught Teran in possession of microfilm, documents, and detailed plans of Army barracks and strategic zones. In a secret compartment of his suitcase, the police also found a number of documents considered extremely secret and classified as strictly confidential. It was stated that very few persons have access to these documents. According to the same source, Teran allegedly is one of the intelligence liaisons between the columns of the guerrilla front and elements allegedly infiltrated into the military. The police also seized 40 million Peruvian soles (some $4,300) from the arrested extremist.

According to the information obtained, the alleged terrorist confessed that several Army barracks, police stations, electoral court headquarters, and political party headquarters would allegedly be attacked this weekend. In the meantime, members of the extremist Shining Path seriously wounded a policeman and set a marketplace on the outskirts of this capital on fire. These new acts of violence were committed less than 48 hours before the general elections.

Moreover, policeman Carlos Martel (24), who was on duty in the Monterrico neighborhood of Lima, was seriously wounded by four alleged terrorists in a surprise attack. The police have not released any further details on the attack. Another group, alleged members of the Shining Path, yesterday started a large fire in a marketplace in the Vitarte District on the outskirts of Lima. The fire caused serious damage, but no casualties. The police arrested an undetermined number of suspects.

The Maoist Shining Path group, which from the beginning declared an all-out war on the elections, has implemented an intimidation campaign through the distribution of leaflets. The terrorists have now started to implement their campaign by chopping off the fingers of peasants in various areas of Ayacucho and Huancavelica. A few days ago a Shining Path group raided a school in Cerro de Pasco, 300 km southeast of Lima. After threatening to kill those who went to the ballot boxes, the terrorists beat up two teachers and distributed a number of pamphlets against the elections.

Likewise, armed groups have detained people traveling in various regions of the zone under the military command, and after defacing their electoral cards with a hammer and sicley threatened to kill those who voted.

Elections will not be held in at least five districts of the recently created Progreso Province of Ucayali Department. As a consequence, the provincial electoral court authorities have decided that the 17,000 voters of this province will have to cast their votes in neighboring towns. It seems that this decision to suspend elections in this province was prompted by death threats to those who take part in the elections. However, a few days ago Interior Minister Oscar Brush announced that security measures have been taken to provide for any attack being prepared by the subversive elements. The Armed Forces Joint Command has repeatedly stated that the security forces will be in charge of safeguarding the elections before, during, and after they take place and will not allow anyone or anything in the country to disrupt them.

Electric Plant, Bridge Hit

PY131845 Paris AFP in Spanish 1726 GMT 13 Apr 85

[Text] Lima, 13 Apr (AFP) -- It was reported today in Lima that groups of the Shining Path organization dynamited a hydroelectric plant and a bridge, called for a general stoppage, and blockaded highways in several Peruvian Towns in a new escalation of violence to scare voters less than 24 hours before the elections scheduled for tomorrow, 14 April.

They also distributed leaflets threatening to cut off fingers as they already did to three peasants, in cluding a 12-year-old girl, if people decide to participate in the elections. Police sources from Cerro de Pasco, 300 km southeast of Lima, have reported that last night, an armed group dynamited the La Candelaria hydroelectric plant which belongs to the Milpo Mining Company, and the Huanchal Bridge over the Huallaga River, partially destroying it. The destruction of this bridge, which links Cerro de Pasco with Huanuco, a forest zone, has backed up a large number of vehicles on both sides.

In the town of Paccho, Chancay, north of Lima, another heavily armed subversive group tried to murder authorities, who saved their lives by hiding. They also distributed leaflets containing threats of mutilation and death if people vote.

In Huancayo, 317 km southeast of here, a guerrilla commando dynamited the office of the provincial electoral registry, causing little damage. Meanwhile, seditious elements attacked and took over a radio station in Huancavelica, 522 km southeast of here, in order to transmit a message. They failed to do this, according to the police who did not identify the radio station. It was reported that patrols of the Army, which will safeguard the elections in the country with 105,000 men, have started to pursue these seditious elements.

The Shining Path, which had declared an open war against the elections, has mounted new offensives against the towns of Huancapi, San Miguel, Tambo, Canaria, and Cangallo in Ayacucho Department, blocking the access roads to the towns with stones yesterday morning. Many parts of the roads near the same towns were painted with the hammer and sickle and with slogans saying: Do Not Vote, Peruvian Communist Party [PCP].

Leaflets have also been distributed threatening to blow up every vehicle traveling through the area during the 72-hour general strike which went into force as of today, Saturday 13 April, and which is to last until 15 April, called by the Shining Path. Among the three peasants who were mutilated by the terrorists in Chugui, La Mar Province in Ayacucho Department, a few days ago, there is a girl of 12 whose fingers were chopped off with a machete as a warning to voters.

Bombs Explode in Lima

PY140414 Madrid EFE in Spanish 0219 GMT 14 Apr 85

[Text] Lima, 13 Apr (EFE) -- At least four bombs exploded today in Lima while Peruvian President Fernando Belaunde was delivering a message to the country before tomorrow's elections.

During the president's speech, the Tupac Amaru Revolutionary Movement broadcast over Radio Moderna of Lima a message that was apparently recorded on a casette and that was difficult to understand. According to some of the words that were heard, the message, which was suddenly cut off, criticized the middle class and proposed the fulfillment of several popular demands. It is still not known how the Tupac Amaru was able to air the broadcast, which lasted 10 minutes. At the same time at least four bombs exploded in Lima. One of the bombs that exploded in port at Callao apparently went off in the offices of the conservative Democratic Convergence Alliance.

Two bombs exploded in Callao and two in the Miraflores District. It is still not known if there are any casualties or the extent of damage. Obviously, the purpose of the attacks was to try to obstruct the general elections to be held on 14 April in Peru. There was an atmosphere of tension today in Ayacucho after several confrontations took place in the past few hours between military forces and alleged Shining Path terrorists who threatened to kill anyone who participated in the elections.

ARMED FORCES IMPLEMENT SECURITY MEASURES FOR ELECTIONS

PY131830 Lima Cadena America Television in Spanish 0330 GMT 13 Apr 85

[Excerpts] The Armed Forces Joint Command will respect the results of the 14 April elections, regardless of who wins the electoral struggle. This has been categorically stated by Air Force General Cesar Enrico Praelli, chairman of the command.

In turn, interior Minister General Oscar Brush Noel has said that the security measures have been redoubled to ensure a normal development of the elections.

[Begin Brush recording] Despite the many speculations that there may be a coup or some veto against some political party whose candidate or candidates may be elected president, vice president, or congressmen, the Armed Forces have not vetoed any of the candidates who are now running for the presidency or seats in the Congress. According to our information, the police forces, controlling the voting places, total about 25,000 and there will be about 83,000 members of the Armed Forces on duty. The rest of the Armed Forces and police will remain at their units, ready for any action necessary to defend the citizens, or they will patrol the streets as a further guarantee for the elections. [end recording]

FIGHTER PLANES OVERFLY LIMA IN 'REHEARSAL'

PY140232 Madrid EFE in Spanish 0140 GMT 14 Apr 85

[Excerpts] Lima, 13 Apr (EFE) -- Peru is passing through the last few hours before the 14 April elections under a dry law that bans the sale of liquor and strict security measures announced by the Joint Military Command. An Air Force spokesman has told EFE that the overflying of Lima this afternoon by fighter planes was a rehearsal for an air show scheduled for 16 April on the occasion of a meeting of Latin American Air Force commanders. Some people in Lima were alarmed by the frequent flights of Sukhoi fighter bombers, Macchi jet trainers, and Mikoyan-6 helicopter gunships which, making great noise, overflew the city this afternoon. Otherwise, normalcy prevails in Lima and in most parts of the country, although security measures have been redoubled in the Andean city of Ayacucho in the face of the Shining Path's announcement that it will boycott the elections.

ELECTORAL BOARD EXTENDS VOTING 2 HOURS

PY142050 Paris AFP in Spanish 2011 GMT 14 Apr 85

[Text] Lima, 14 Apr (AFP) -- Since a number of polling places were 2 hours late in opening in Lima, the National Electoral Board of Peru has decided to extend the voting deadline until 1700 in those precincts where the balloting has not ended by 1500, as was originally scheduled. Up to now, the general elections have developed in an atmosphere of normalcy throughout the country, except for the protests by voters at those tables that opened late and by those who had to stand in long lines under an unseasonably hot sun in Lima. The delay was due mainly to the fact that citizens whose names had been drawn to preside at the tables were late in reporting or because the material received at some tables presented problems. About 100,000 military and police personnel have watched over the normal development of the elections. Reports from Ayacucho, the focus of Shining Path subversion, say that voting has been without disturbances. In Lima, in addition to the troops guarding the voting sites, school buildings mostly, several helicopters flew over the city. However, no street patrols have been observed.

APRA'S GARCIA LEADS IN UNOFFICIAL COUNT

PY150800 Paris AFP in Spanish 0736 GMT 15 Apr 85

[Text] Lima, 15 Apr (AFP) -- The unofficial results of the 14 April Peruvian elections indicated at 0230 the following figures based on the overall number of voters in the country:

Alan Garcia (American Popular Revolutionary Alliance)	3,629,758 votes (48 percent)
Alfonso Barrantes (United Left)	1,780,560 votes (23.5 percent)
Luis Bedoya (Democratic Convergence)	922,560 votes (12.2 percent)
Javier Alva (Popular Action)	378,752 votes (5 percent)
Other candidates	194,933 votes (2.6 percent)
Annulled votes	380,075 votes (5.0 percent)
Blank and voided votes	279,808 votes (3.7 percent)
Total valid votes	7,566,748 votes

The official counting of the votes by the National Electoral Court will not begin until 0800.

DE LA MADRID MEETS ECUADOR'S FEBRES CORDERO

PA142001 Paris AFP in Spanish 1726 GMT 14 Apr 85

[Text] Mexico City, 14 Apr (AFP) -- Ecuadoran President Leon Febres Cordero left for Cuba after meeting for more than 90 minutes with his Mexican counterpart Miguel de la Madrid.

The two presidents met at Mexico City's airport during a stopover that Febres Cordero made on his way back from the United States, where the president conducted an official visit. His visit to Mexico, on the other hand, was private. Although there were no official reports on what the two leaders discussed, reliable sources indicated that they reviewed the political situation in Central America and the world economy.

PRESIDENT, COSTA RICA'S MONGE DISCUSS REAGAN PLAN

FL112128 Mexico City NOTIMEX in Spanish 1955 GMT 11 Apr 85

[Text] Mexico City, 11 Apr (NOTIMEX) -- Mexican President Miguel de la Madrid has told his Costa Rican counterpart Alberto Monge that the dialogue between the Sandinists and the opposition is an internal matter for Nicaragua. That announcement was made by Costa Rican Foreign Minister Carlos Jose Gutierrez who added that during a telephone conversation between the two presidents last Tuesday, De la Madrid thanked Monge for the Costa Rican Government's cooperation in the capture of narcotics trafficker Rafael Caro Quintero.

Gutierrez pointed out that the Mexican president also confirmed his country's position for peace in Central America.

The U.S. proposals include a cease-fire in Nicaragua, the suspension of $14 million in aid to armed anti-Sandinist groups, and the acceptance by Nicaragua of a series of reforms including dialogue with the contras and new elections.

DE LA MADRID URGES INCREASE IN EXPORTS

FL131615 Mexico City NOTIMEX in Spanish 0320 GMT 13 Apr 85

[Excerpt] Oaxtepec, Mexico, 12 Apr (NOTIMEX) -- Mexico needs to find new production directions which, in addition to satisfying the country's domestic market, will also allow it to increase exports and actively participate in foreign markets, underscored President Miguel de la Madrid tonight.

The head of state called on the productive sectors to increase their exports because this will be the only way to obtain foreign currency which is essential for our development.

PEMEX OFFICIAL ON NEED FOR STABLE OIL PRICES

FL130104 Mexico City NOTIMEX in Spanish 0040 GMT 13 Apr 85

[Excerpt] Mexico City, 12 Apr (NOTIMEX) -- PEMEX has stated that it is necessary to keep international oil prices at reasonable levels because a significant drop would be disastrous for the international financial system.

Participating in the first analysis and information forum on the energy program, Donaciano Tamez Fuentes, PEMEX deputy director for trade, explained that such a situation would be disastrous for both producing countries and consuming countries.

COSTA RICA

GOVERNMENT PREPARED TO SIGN CONTADORA DOCUMENT

PA140246 Paris AFP in Spanish 0131 GMT 14 Apr 85

[Text] San Jose, 13 Apr (AFP) -- Costa Rican Deputy Foreign Minister Jorge Urbina announced today that his government is prepared to sign the Contadora peace document "since our demands were met" at the meeting yesterday in Panama.

Urbina characterized the meeting of the deputy foreign ministers of the Contadora Group countries and the plenipotentiaries of Central America as "an important step for the strengthening and consolidation" of the group's pacification efforts. He noted that with the creation of several commissions agreed on at the Panama meeting "we have already created a Central American police and courts of justice" that could make future agreements reliable. He also referred to the acceptance of verification and control mechanisms through the installation of an international committee of inspectors who would make on-the-field evaluation whenever charges are made.

In conclusion, he said that in May there will be another meeting of the Contadora Group's deputy foreign ministers and Central American plenipotentiaries to put the final touches on the final document on pacification in the region.

MONGE LEAVES FOR 3-DAY VISIT TO UNITED STATES

PA122155 Hamburg DPA in Spanish 2110 GMT 12 Apr 85

[Text] San Jose, 12 Apr (DPA) -- Costa Rican President Luis Alberto Monge has left for Miami, where he will stay for 3 days. Monge will speak tomorrow at the "Conference on Economic Development" to be attended by 200 Latin American and U.S. delegates. On Monday he will hold a press conference at the offices of the MIAMI HERALD newspaper. Vice President Armando Arauz, meanwhile, will be acting president until next Tuesday.

U.S. CONGRESSMEN VISIT EN ROUTE TO NICARAGUA

PA141818 San Jose Radio Reloj in Spanish 1330 GMT 14 Apr 85

[Text] Three U.S. congressmen, who are visiting several Central American countries, were received yesterday afternoon by Costa Rican Acting President Armando Arauz Aguilar and Foreign Minister Carlos Jose Gutierrez. The group of congressmen, headed by Bob Stump, have already visited Honduras and tomorrow they will travel to Nicaragua.

After meeting with the congressmen, Foreign Minister Gutierrez said that they had discussed the Contadora process and the economic, political, and social situation in Central America. He also said that it had been a wide-ranging discussion and that they exchanged views regarding President Ronald Reagan's peace proposal to Nicaragua as a means to achieve a peaceful solution to the Central American conflict. The three U.S. congressmen, who will continue their trip to Nicaragua today said the purpose of their trip is to learn about the region, particularly what is happening in Nicaragua. They believe that President Ronald Reagan's administration is looking for a solution to the Nicaraguan problem, which would also represent an integral solution to the problems existing in other Central American nations. The congressmen voiced their support for the rebel groups fighting against the Managua regime. They believe that the Nicaraguan Government has had enough time to allow its people to decide their future, however, they have not done so because they are a Marxist-Leninist regime.

EL SALVADOR

DUARTE RULES OUT 21 APRIL MEETING WITH FMLN-FDR

PA122030 San Salvador Radio Cadena YSU in Spanish 1800 GMT 12 Apr 85

[Report by Raul Beltran from the Salvadoran Presidency in San Salvador -- live]

[Text] Attention El Salvador: Attention Central America: The Salvadoran Government is definitely ruling out 21 April as the date for holding talks with the FMLN-FDR leftist guerrillas. President Jose Napoleon Duarte has just made that statement here at the Presidency on the guerrillas's proposal for holding a meeting on 21 April, which would have taken place in the town of Perquin in northern Morazan Department.

Duarte rejected the proposal saying that the leftists' request, submitted through the Catholic Church led by Msgr Arturo Rivera y Damas, was signed by Eduardo Calles as well as by Mario Lopez. The latter is the head of the June National Association of Salvadoran Teachers. Duarte has also rejected the possibility of [words indistinct] that includes the third stage of [words indistinct] national level. At the same time, he is studying the possibility of holding the talks with the leftists somewhere in El Salvador [words indistinct] before leaving for the United States.

April Meeting Still Possible

PA130117 Panama City ACAN in Spanish 2312 GMT 12 Apr 85

[Excerpt] San Salvador, 12 Apr (ACAN-EFE) -- Salvadoran President Jose Napoleon Duarte today rejected the guerrillas' request for a third meeting with the government on 21 April in Perquin, a town in the eastern part of the country controlled by the rebels. Duarte's reply to the rebels was issued to the news media at the presidential house, where he met with Jeanne Kirkpatrick, outgoing U.S. ambassador to the United Nations, who is on a private visit to El Salvador.

The Salvadoran president said that the meeting between government and FMLN-FDR representatives in Perquin will not be held because it would only be a show. Archbishop Arturo Rivera y Damas submitted the guerrillas' proposal to President Duarte last Tuesday for a third meeting to continue the dialogue process begun last year. The proposed date for this meeting was 21 April in Perquin. Duarte said that the FMLN-FDR is proposing Morazan as part of "a propaganda campaign to make the world believe they have areas under their control." Perquin, a town of some 2,000 inhabitants, in northern Morazan Department, 203 km east of San Salvador, is under rebel control.

The rebels' proposal was signed by Commander Mario Lopez of the FMLN and Eduardo Calles of the FDR.

Durate said the rebels have insisted that the next meeting between the government and the leftist fronts be held in the zone where there is conflict. "We must not forget that they are using this as a tactical issue, part of their propaganda campaign," he said.

Meanwhile, President Duarte did not discard the possibility of a third meeting with the guerrillas before the end of the month in the search for a peaceful solution to the armed conflict. In this respect President Duarte said: "I will go wherever I have to go, and I will discuss whatever necessary to seek peace." "That is what I have promised the Salvadoran people, but I am not going to participate in a show," President Duarte said.

Guerrillas Respond

PA140111 Panama City ACAN in Spanish 2205 GMT 13 Apr 85

[Excerpts] San Salvador, 13 Apr (ACAN-EFE) -- Salvadoran guerrillas said today that they are prepared to continue talks with the government despite President Jose Napoleon Duarte's refusal to meet on the date and at the place proposed by the guerrillas. In a Radio Farabundo Marti transmission the guerrillas accused the president of using "delaying tactics." Nevertheless, the FMLN reiterated that it considers dialogue the path to the pacification of the country.

Radio Farabundo Marti said that "the date is no problem, and the FMLN is not seeking to promote propaganda to demonstrate that a portion of the country is under our control, because it is from our territory that our commanders went to the meetings at La Palma and Ayagualo." The guerrilla radio station said that "Duarte's real policy is one of war; that is why he is using delaying tactics and has refused our proposals for humanizing the conflict." Radio Farabundo Marti said that in the first 6 months of the Duarte government "969 people were abducted [capturadas], or murdered and another 363 were imprisoned."

GUATEMALA

GOVERNMENT TAX REFORMS CREATE ECONOMIC 'CRISIS'

Parties Denounce Measures

PA120334 Guatemala City Radio Nuevo Mundo Network in Spanish 1200 GMT 10 Apr 85

[Text] Four Guatemalan political parties denounced last night the economic measures adopted by General Mejia Victores' government. Three of these parties comprise the centrist alliance: the Revolutionary Party, the National Renovating Party, and the Union of the National Center. Another party which denounced the tax measures is the Democratic Party of National Cooperation [PDCN], led by (Jorge Zambrano Bonilla).

The feeling was that centralizing the currency market is uncalled for because it will have a negative impact on the value of our currency and the cost of living, since small- and medium-sized businesses also depend on the value of the currency. There is also concern over the suspension of talks between the government and the private sector because the negotiations were expected to produce solutions to Guatemala's current problems. Expressing the public's rejection, the great centrist alliance strongly rejects these arbitrary and destabilizing measures, because they imperil the process of economic and political recovery the alliance is striving for. The parties within the alliance believe that as a basic step the government should begin an austerity program at all levels within the public sector, eliminating travel allowances for unproductive trips abroad, unnecessary public works, and excessive secret expenditures [gastos confidenciales].

PDCN presidential candidate Jorge Antonio Serrano Elias said that the government is strangling the nation's economy. The PDCN candidate said that the new economic [word indistinct] adopted by government officials will drastically reduce stimulus to production, adding that the immediate results of these measures would be an increase in the cost of living as well as a drop in production, which in turn will cause a drop in foreign currency supplies and a rise in unemployment.

Serrano Elias also said that all these factors will hit even harder the already battered economy of Guatemalan households. In fact, he said, the measures will make agricultural production even less attractive and there will be a decrease in cultivated areas, leaving many workers without jobs, prices of agricultural supplies will increase, the consumption tax will raise the price of many articles by up to 50 percent, and increased interest rates and banking [word indistinct] will cause a steep rise in prices and a drastic worsening of the economic crisis.

[Words indistinct] Serrano Elias that the measures adopted have failed in many Latin American countries, so it is beyond comprehension that the Guatemalan officials have not learned (?their lesson). Once again, the absolute ineptitude of those in charge of handling the country's economic and financial policies becomes apparent, said Serrano Elias. He added that the effort to curb the quetzal's collapse with these policies is causing the opposite result. For that reason, it is imperative that this harmful policy be reconsidered and that production and exports be encouraged, Elias Serrano said. All of the above, he said, clearly demonstrates the urgent need to immediate [words indistinct] which motivate these measures. Moreover, I strongly support the public outcry for the drafting of a sane economic and financial policy to aid the country's development and for encouraging production which will generate [word indistinct] and jobs. To conclude, the PDCN candidate said that [word indistinct] the ministers and officials who bear the responsibility for the past errors.

Finance Minister Leonardo Figueroa Avillate warned that [word indistinct] of the country's fiscal and tax readjustment tend to benefit the Guatemalan people in general in order to prevent a collapse of the economy and to reduce the fiscal deficit.

Assembly Seeks Repeal of Decrees

PA121517 Guatemala City Radio Neuvo Mundo in Spanish 1200 GMT 10 Apr 85

[Text] Tonight [as heard] at 2015 the Guatemalan National Constituent Assembly unanimously approved the following resolution:

The National Constituent Assembly, as legitimate representative of the Guatemalan people and on its behalf, hereby resolves to request that the executive branch repeals Decrees 2785, 2885, 2985, and 3085, which were published in the DIARIO DE CENTRO AMERICA on 8 April. The said decrees are contrary to the interests of the people, especially because they have been issued at a time of deep economic crisis. This Assembly hereby calls an urgent meeting with representatives of the National Constituent Assembly, members of cabinet, and represenatives of the labor, production, and consumer sectors aimed at reaching a consensus to resolve the situation. Issued at the Legislative Palace on 9 April.

Meanwhile, Ramiro De Leon Carpio, president of the National Constituent Assembly, has reported that the Assembly's board of directors will hold a special session early today to make the necessary arrangements to take the resolution to Guatemalan Head of State General Oscar Humberto Mejia Victores.

During yesterday's session of the National Constituent Assembly, several deputies disagreed with the issuing of the resolution, adding that such resolutions end up in the wastepaper basket. Reacting to that allegation, De Leon Carpio said that in any event, the National Constituent Assembly will have fulfilled its historical commitment to the Guatemalan people. He added, however, that he is fully confident that good sense and social responsibility will prevail in the head of state's response to the proposal made by the legislature. He reported that this week a commission of the National Constituent Assembly's board of directors will deliver the resolution to General Mejia Victores and that it is confident that the head of state will react favorably to the Assembly's request.

PNR, MLN Protest

PA111934 Guatemala City Cadena de Emisoras Unidas in Spanish GMT 2350 GMT 10 Apr 85

[Excerpt] Today, the National Renovating Party (PNR) asked the national government to take the proper action on the resolution approved yesterday by the National Assembly deputies requesting that the tax law decrees promulgated by the executive branch be suspended. The PNR request, publicized this afternoon, also expressed the party's vigorous protest of the tax reforms imposed by the government, saying they are nothing but the creation of more taxes that will stifle the country's economic development and further aggravate the economic crisis that has existed for a long time. In view of such agruments, the PNR asked the government to heed the request by the National Assembly, the organ elected by the people, urging that the tax law decrees be repealed. The PNR describes the decrees as harmful to the interests of the people and imposed at a time of dire crisis for the country. Until now, the government has not answered the party's request.

Meanwhile, the National Liberation Movement [MLN] accused the government of administrative inexperience. This afternoon the MLN accused the military government of administrative inexperience and of causing great harm to the national economy by promulgating decrees containing tax reforms. The MLN argues that the government's decision will cause more capital, and, logically, more unemployment which will result in more poverty for the people.

Mejia Victores Speaks

PA121914 Guatemala City Domestic Service in Spanish 0200 GMT 12 Apr 85

[Speech to the nation by General Humberto Mejia Victores, Guatemalan head of state; place not given -- live]

[Text] Follow citizens: The de facto provisional military government which I head, on behalf and in representation of the Guatemalan Army, is resolutely determined to continue advancing on the path to institutional democracy. This struggle, which we have charted in consultations with various state bodies and various segments of our citizens, is known by all of you. An electoral timetable that is approved by unanimous consensus must be fulfilled, [word indistinct] and without changes of any kind for the good of Guatemala. Regretfully, it seems that the totalitarian, dark, and obdurate forces seek to hinder, block, and, if possible, destroy the political opening process in which all of us must be engaged.

A great effort has been made to improve Guatemala's image abroad and I am pleased to reiterate that we have recovered, little by little, the position that rightfully belongs to us in the community of nations and that our new, real, and positive profile has been understood and is being supported by friendly countries that are encouraging us to move forward with the process to return to constitutionality. Unfortunately, during Holy Week and the week preceding it the active and irrational violence [word indistinct] in our country are unjustifiable and reprehensible actions which are inadmissible in a society that boasts about being civilized. Our people have been deeply shocked by the (?savagery) of wanton and inhumane murders. These acts of violence, which the government strongly criticizes and censures, are being investigated by the security corps in accordance with categorical instructions that I have issued. These kinds of actions, which seek to besmirch and thwart our democratization process, will not prevent us from achieving our purpose — which is that of all good Guatemalans -- of bringing peace and calm to Guatemala within a framework of respect for human rights to foster and strengthen our national reconciliation.

My pledge will be fulfilled and I am certain that the commitments undertaken by the honorable National Constituent Assembly and the honorable Supreme Electoral Tribunal will also be fulfilled. We have faith and confidence that the democratization process will happily culminate as we indicated it would. The steps being taken are part of an overall strategy. We foresee some difficulties on the path to democracy, but we must bear in mind that nothing that is constructive for our future will be easy; that in order to obtain, maintain, and uphold democracy we must have political stability; and that political stability necessarily requires economic stability.

That is why, in order to contribute to the stability and consolidation of democracy under the next legally formed government, the following fiscal and monetary measures were adopted. This has not been done in a capricious, unthinking, or reckless manner, as some have tried to make believe. A great commotion has arisen in different sectors in the last few hours because of the measures that have been adopted to effect the tax readjustments. However, allow me to say the following:

As the Guatemalan people know, in the past few years we have experienced,like other Latin American countries, the worst economic crisis in our history, which has been generated by both the impact of the internal political and economic problems and the [word indistinct] of regional and world economy. Several measures have been adopted in view of this severe crisis. These measures have had some positive effects. However, our goals to stabilize our economy have not been fully realized and the situation has grown worse due to political disturbances.

All of us are aware that recently, and as a result of speculation fostered by people who do not care about our country's development, the price of the dollar on our internal market has soared to unimaginable levels, seriously affecting our long tradition of monetary stability, which has been the pride of Guatemalans. This regrettable situation, which affects the strength of our currency, necessitates the adoption of concrete, effective measures to prevent a further deterioration of our economy.

My government has made every possible effort to curb government spending and we have managed to reduce the fiscal deficit to a level where it is less than half the 1981 deficit. For instance, the budget approved for 1982 totaled 1.481 billion quetzals and the one actually implemented totaled 1.258 billion quetzals. The budget authorized for 1983 totaled 1.314 billion quetzals and the one implemented totaled 1.074 billion quetzlas. Finally, the budget authorized for 1985 totals 1.282 billion quetzals and we are firmly determined to reduce it through budget savings we plan to introduce and through application of a budget system [word indistinct] at mid-year. This system has made it possible to make substantial reductions in public spending in the past.

Another important issue is the fact that my administration has managed to substantially reduce subsidies to decentralized agencies, which totaled 275 million quetzals in 1982 and will only reach 182 million quetzals in 1985. However, the austerity sacrifice must not be limited to our government. Rather, all Guatemalans must make a just, strenuous, and additional patriotic effort to overcome the crisis because if it continues, we may reach the extremes reached in some developing countries.

I wish to give you some examples that make clear what I am saying. From 1979 to 1984, Guatemala imported goods which [words indistinct] included luxury automobiles, television sets, parabolic antennas, sound equipment, French wines, cheese from the Netherlands, and so on, which represented an unnecessary foreign currency drain from our country of over $1 billion.

After stating this, I urge you to impartially reflect on the following questions: Do you believe that our country, which has a small quantity of dollars to purchase basic raw materials and inputs required for agriculture, industry, and so forth, can afford the luxury of continuing to spend its limited foreign currency in this exaggerated manner? Do you believe that the vast majority of our population, which is unemployed and suffering the tremendous rigor of the crisis, can harbor any hopes if we continue pruchasing luxury and unnecessary goods instead of expanding private and public investment?

If we are conscientious and if we still have a spirit of understanding about our country's problems, the response must necessarily be "no." As you know, countless efforts have been made to avoid speculation in the sale of dollars. However, practices totally harmful to our country's economy still persist. Various methods are still being used to avoid the controls; and the flight of capital from Guatemala to foreign countries continues. For instance, according to data published by the U.S. Federal Reserve System, Central Americans had a total of $700 million in deposits in U.S. banks in 1979. However, in 1984 those deposits totaled (?$2 billion). This does not include the deposits made in banks in Panama, the Caribbean, and other world countries. This huge flight of dollars has profoundly affected Central America's economy.

Therefore, do you feel that the government -- which thoroughly realizes that the path to our country's democratization lies not only on holding clean, pure elections but also on development of a sound economy -- should sit still and not assume the obligation to enact all possible measures to keep the product of our work and efforts from continuing to flee abroad when this foreign currency is so necessary for our subsistence?

The latest legal measures the government has enacted are fundamentally aimed to avoid a further deterioration of our economy. It is our aim to provide the country with an economy that is as sound and balanced as possible in order to enable the next government, which will be freely elected by the people, to implement its platform on a more solid basis.

My adminsitration has been entrusted with the historical responsibility of taking actions to balance this economy by adopting measures that are permitted due to their very nature. I admit that some sectors of the population are not pleased with these actions. However, it is inadmissable that these sectors with vested interests are availing themselves of the opportunity to distort the adoption of the above mentioned measures to misguide public opinion. In doing this, they do not care if they drive public opinion to very dangerous situations, since they are urging businessmen to close their establishments without considering the damage this will inflict on the people in general.

To this effect, [words indistinct] in the following aspects: The adopted measures, be they taxes or monetary and financial measures, which have been duly planned and coordinated should not affect the majority of the country's taxpayers. These measures will affect the profits of the large enterprises as well as those who speculate with the country's currency. For example, the workers and farmers have nothing to fear since luxury items such as automobiles and parabolic antennae are being burdened with an additional 50 percent import tax. Farmers in general have nothing to worry about regarding the measures adopted because no additional tax (?is being imposed) on the country's exports. All the measure demands is a payment (?chargeable to) internal revenue, such as is the case for persons who are earning a salary and are subject to paying taxes. The tax on coffee exports that are outside the quotas will demand a reduction in the high benefits already granted by the exchange policy by allowing them to negotiate 100 percent of the currency in the free market.

The new tax measures imply an additional effort for other sectors of the economic activity.

However, for this it is absolutely necessary that all of us do our equal share to balance the economy. Let us be aware that those who protest the recent measures adopted by the government are those who want to continue to maintain very high consumption habits as if our situation, that of the people in general, could allow for this.

There are others who protest and they are the ones who, in spite of the fact that they are aware of the national situation, want to have full freedom to [word indistinct] the movement of their capital. Another group that protests are the usurers who want to continue speculating with the currency, without realizing that, through this irrational attitude they are deteriorating our monetary unit even more. Because of the aforementioned, in these very important moments for our country I call on the Guatemalan people to remain calm and to think things over in view of the opinions of certain sectors which, in one way or another, have openly voiced their opposition to the recent measures. These sectors have merely resorted to making negative observations and criticizing, through all means possible, the measures that we have been adopting for the benefit of our people.

Unfortunately, these sectors have not presented any proposals to solve the crisis. In so doing, they confirm the old and accurate saying: It is easier to criticize than to suggest. The fate of our nation and of our children depends on the sacrifice which we are willing to make for the sake and defense of the great national interests. We cannot solve the present crisis if we do not convince ourselves that now it is necessary to make a united [word indistinct] effort with solidarity. Only if we are willing to sacrifice the consumption of luxury items will we be able to solve the currency shortage issue that is necessary for raw materials. This in turn will put us on the path to increasing production and increasing the possibilities for employment which are extremely necessary at this time.

Even though the recently enacted measures admittedly place restrictions on consumption, they are the best way to promote production in the future. The full range of benefits afforded by these measures will not be perceived during the short time remaining in my administration. However, some of those who are currently intent on opposing them will reap the fruits of this sacrifice. These measures have been adopted with the conviction that they are indispensable to preventing the further deterioration of our economy. International news agencies have [word indistinct] the measures, as has happened in other Latin American and Third World countries. We must be realistic, readjusting and redirecting Guatemala's economic recovery proudly and with our best efforts, and above all, preserving our national sovereignty. We have even decided on those courses of action that are the most flexible and compatible with our national situation, and naturally, those which are less dirty [sucios] than those currently being imposed on developing countries. We are willing to resume the dialogue with the productive sectors in a broad-minded and sincere manner, as well as with any other economic, social, cultural, or political organization or association. We believe that at this time the situation demands wide-ranging agreements among Guatemalans to solve Guatemala's problems.

If we all commit ourselves to contributing our ideas and actions in good faith, I am confident that we can gradually, and with flexibility, address all matters that will pragmatically and logically make the plan for economic recovery, which is our primary goal, effective. Fellow citizens, in concluding I with to report that in view of speculation about an attempt to destabilize the government and to violantly prevent the people from developing the democratization process they long for within the established timetable, I have decided to postpone the trip I had planned to make to reciprocate and express thanks for the visit to our country of His Holiness, John Paul II, as well as the one I had planned to make in response to invitations from the friendly Governments of Israel and Egypt. As ruler, I am obliged to propitiate, defend, and guarantee the process of changes so Guatemalans can decide the destiny of our homeland without interference of any kind.

Commentary on Mejia Address

PA130412 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 12 Apr 85

[Station commentary]

[Text] We listened with attention and interest to last night's message to the nation by Head of State General Oscar Mejia Victores over a national radio and television network. His message had both negative and positive aspects. Among the most negative, we can mention the fact that in his efforts to defend the new taxes imposed recently by his government he used a series of demagogic arguments, saying that the new taxes affect only the economically powerful sectors, who purchase expensive automobiles, parabolic antennas, French wines, and cheese from the Netherlands. The head of state said that the taxes do not affect workers or peasants, as they buy neither expensive automobiles nor parabolic antennas.

We agree with Gen Mejia that neither the peasants nor the workers buy expensive automobiles or parabolic antennas. However, the workers and peasants do buy underclothes, and many of them need to buy socks to protect their feet. Unfortunately, these articles are subject to the misnamed selective consumption tax. The workers and peasants, particularly poor children, eat eggs to nourish themselves. Unfortunately, these products are also severely affected by the abusive taxes imposed by the government on Monday.

That is why we believe the people must hear the truth, not demagogic words. We do not doubt the veracity of the statistics presented to the head of state by his advisers, like the huge sums of dollars that have left the country and are now deposited in banks of the United States, Panama, and other countries.

Now we ask why those Guatemalans took their capital out of the country. Simply because in those countries there is juridical stability, while in Guatemala abuse and arrogance rule. We also ask the head of state how many of those who sent their millions to the banks abroad are members of the Armed Forces? How many are former public officials? How many are officials of the incumbent military government?

We said at the beginning that last night's message by the head of state to the Guatemalan people also had some positive aspects, such as his willingness to continue the dialogue with the productive and other sectors that may want to talk with him in an effort to reach agreements that may permit finding the best solutions to the crisis dangerously affecting our country today. We believe that his willingness to hold a dialogue is a good beginning. However, such a dialogue is impossible when the people fear that the sharp sword of taxes could stab them in the back at any time. To establish the dialogue it is imperative that the government stop imposing new taxes. After that, all national sectors can amply demonstrate to the head of state and his advisers that there are other ways to meet the national crisis. Democracy is not built with dictatorships. The essence of democracy is respect for freedom.

Rightist Group Seeks Referendum

PA131634 Guatemala City Radio-Television Guatemala in Spanish 0300 GMT 12 Apr 85

[Paid advertisement]

[Text] In payment for (?reason), the Guatemalan people receive demagoguery. The new right [not further identified] praises the president's decision to admit that now is not the time to travel. The people are probably pleased that the request of the new right has been honored.

Following the people's rejection of the recent new taxes, the public officials have made statements, which show their contempt for honest productive activities. With demagogic phrases they claim these measures will improve the people's standard of living and will call for the sacrifice of the people in the high-income bracket. This is totally false. To say what is bad for the productive sector is good for the people is deceptive.

Those with higher incomes already have the. [as heard] The ones most seriously affected by the recent measures are the middle and lower classes for two reasons: unemployment and price increases. Unemployment is concentrated mostly among those whose resources are used mainly to buy essential items. Price increases destroy the savings of the workers. The fact the government has evaded its responsibilities is nothing new. History has never recorded a case whereby a government has confessed to mistakes or has admited guilt for the sufferings inflicted on the people. Others are always blamed. In this case, the private sector is blamed, as if the market were a plot. The market does not agree on increasing prices. Prices increase as a result of mistakes in the government's fiscal and monetary policies.

We are the private sector which is made up of the millions of honest Guatemalans who work everday to support our families and the state. It is the same story all the time. The government today abolishes a measure and promises bread for tomorrow, yet there is no bread tomorrow. The government strangles the sources of progress, oppressing the people more and more, without admitting any guilt. We Guatemalans must not be taken by surprise. We must oppose the new taxes and not accept the already very fragile political stability of the country. Every Guatemalan should voice his stand against the plans to impoverish our country, without (?this constituting) an excuse for a new change of power. We want elections. We want democracy. We do not want a coup d'etat. No more taxes. Everything is not lost. The people know where their well-being lies. The new right requests that the government suspend the enforcement of the new taxes and consult the people through a referendum to see if the people want to accept these taxes, and then abide by the people's will.

Mejia Confirms Need for Reforms

PA121835 Guatemala City Domestic Service in Spanish 1731 GMT 12 Apr 85

[Text] Head of State General Oscar Mejia Victores, in statements to the press, has denied the possibility of changes in the military hierarchy because the Armed Forces, he stressed, knows what it is doing. He added that the Army named him to govern the country because it trusts that he will not harm anyone. Our actions, he said, are aimed at solving the present economic crisis. He added that if measures such as the present ones are not adopted, the constitutional government that takes power after the elections will have to face many problems which are even greater than the present ones. Regarding the new tax reforms adopted recently by the government, the head of state said that they are essential, and that the only alternative to them is the devaluation of the quetzal.

Reforms Suspended Indefinitely

PA121810 Hamburg DPA in Spanish 1749 GMT 12 Apr 85

[Text] Guatemala, 12 Apr (DPA) -- The Guatemalan Government has decided to suspend for an indefinite period the new tax reforms that it decreed last Tuesday, according to statements by Head of State General Oscar Mejia Victores at an unscheduled press conference. It was also reported that Finance Minister Leonardo Figueroa Villate has been dismissed from his position, effective immediately.

Figueroa Villate was the head of the Finance Ministry during the government of General Efrain Rios Montt, and continued in that position when Gen Mejia Victores assumed office on 8 August 1983. Figueroa Villate's replacement has not been named.

Deputies Applaud Cancellation

PA122126 Guatemala City Cadena de Emisoras Unidas in Spanish 2054 GMT 12 Apr 85

[Text] As soon as deputies in the Commission of the thirty were informed of the head of state's decision to cancel, through a new decree, previous decrees creating new taxes, they applauded. They were informed of the new decree by Ramiro de Leon Carpio, president of that commission. He said this decision has averted chaos.

[Begin recording] While it is true that this will not solve the grave economic crisis the country is enduring, it does avert the chaos toward which the measures were taking us. We are pleased to know that the head of state has heard the voice of the people and of the National Constituent Assembly, which on behalf of the people it represents had asked him to suspend those measures. I wanted to inform you officially about this to leave it on record for history. Likewise, [words indistinct], I have no confirmation of this. I am making no comment. I am simply reporting. We now will continue with the session because what has happened does not mean we should not continue with our specific work. [sentence indistinct] [end recording].

Private Sector Wants No Taxation

PA122307 Panama City ACAN in Spanish 2202 GMT 12 Apr 85

[Text] Guatemala City, 12 Apr (ACAN-EFE) -- Guatemala's private sector has rejected the suspension of the new taxes which was announced today by Head of State General Oscar Mejia Victores and demanded the complete elimination of these fiscal measures.

In addition, private businessmen demanded the removal of four high-ranking officials of the Mejia government. This afternoon sources of the Coordinating Board for Commercial, Agricultural, Industrial, and Financial Associations (Ccaacif) told ACAN-EFE that the rejection of the measures taken by the military regime this morning was agreed upon during an urgent meeting. Gen Mejia had told the press that his government decided to suspend the new fiscal measures that include, among others, a selective tax on consumption, taxes on cardamom and coffee exports, and amendments on aggregate value and income taxes.

Mejia also appealed to all sectors opposed to the tax package to hold a dialogue and make the suggestions necessary to find a solution to the country's serious crisis. Mejia also announced the removal of Finance Minister Leonardo Figueroa who, according to the Ccaacif, is the individual most responsible for aggravating the economic situation.

In addition to rejecting the suspension of the announced tax laws, private enterprises now demands the immediate removal of Leonel Hernandez and Alejandro Contreras, ministers for economy and energy and mines, respectively, as well as Manuel Giron, secretary general of the Office of the Head of State, and Ramon Celada Carrillo, secretary of state for public relations. Should the military regime not accept its demands the Ccaacif and all of the country's productive associations would continue their preparations to effect gradual stoppages of their economic activities as of next Monday. So far the government has remained silent on these demands by the private sector.

Mejia, All Sectors To Meet

PA130006 Guatemala City Cadena de Emisores Unidas in Spanish 2338 GMT 12 Apr 85

[Text] Head of State General Oscar Mejia Victores announced today that he intends to meet next week with representatives of all national sectors to learn their views on how to solve the nation's economic crisis. During a press conference conducted today in his office at the Presidential Palace, Gen Majia Victores said that by suspending the new tax package the government is providing an opportunity to all national sectors to participate in a dialogue to discuss the means to solve the serious economic crisis affecting Guatemala. Gen Mejia Victores also said he will travel to the Vatican, Israel, and Egypt, but not this coming Sunday as he had planned. He said he will pay his own expenses because he does not need to use state funds.

Coalition Leader on Annulment

PA130421 Guatemala City Cadena de Emisores Unidas in Spanish 2350 GMT 12 Apr 85

[Text] Mario Sandoval Alarcon, presidential candidate of the rightist coalition comprised by the MLN; the Democratic Institutional Party, PID; the Emerging Movement for Harmony, MEC; and the Democratic Popular Front, FPD; told "Guatemala Flash" in exclusive statements that he was very pleased with the annulment of the tax package and the dismissal of Finance Minister Colonel Leonardo Figueroa Villate. Sandoval Alarcon said that the tax package that Head of State General Oscar Mejia Victores had approved affected all sectors, but mostly the low-income ones, and that he believed a dialogue, encompassing all the sectors in the country including the political parties, could help solve the economic problem seriously affecting the Guatemalan people.

New Finance Minister Sworn In

PA130048 Guatemala City Cadena de Emisores Unidas in Spanish 2350 GMT 12 Apr 85

[Text] Armando Gonzalez Campo today assumed the post of finance minister. This afternoon Armando Gonzalez Campo was sworn in as new finance minister. He replaces Colonel Leonardo Figueroa Villate, who was removed from office this morning by Guatemalan Head of State General Oscar Humberto Mejia Victores. Gonzalez Campo was president of the Bank of Guatemala under the General Rios Montt regime. More recently Gonzalez Campo was president of the Agricultural Mercantile Bank.

Government Decree on Suspension

PA130341 Guatemala City Domestic Service in Spanish 0158 GMT 13 Apr 85

[Guatemalan Government Decree No 3285, dated 12 April, read by unidentified announcer -- live; broadcast in progress]

[Text] ...No 2785, No 2885, No 2985, and No 3085, and government agreement No 28585 of 9 April. To this effect, the head of state, Division General Oscar Humberto Mejia Victores, has issued at a Council of Ministers Decree No 3285. Here is the text of this decree:

The head of state, considering that Decrees No 2875, No 2885, No 2985, and No 3085, which were published in the OFFICIAL GAZETTE on Monday, 8 April, established the following:

A specific and temporary tax on coffee exports to countries which are not members of the International Coffee Organization (coffee without quota); a deadline for individuals or companies who are not banks which are authorized to make exchanges to legalize their situation based on Decree No 1085; a modification to Decree No 1773 of the Penal Code of Congress adding Article No 320A to it; and a selective consumption tax to be charged on the sales price of imported merchandise intended for consumption in the national territory -- a list of such merchandise to be included in a government agreement to be issued by the Public Finance Ministry;

Whereas, it is necessary to make more profound studies on the content of the decrees listed above because of the negative effects they could have on the neediest classes in the country, the decrees and accompanying regulations should consequently be suspended, and for the purpose of giving involved sectors an ample opportunity to give their opinion on this matter, a corresponding legal disposition must be issued.

Therefore, in exercise of the authority granted by Articles 4 and 26, Section 6, of the Fundamental Statute of the Government -- modified by Decrees No 3682 and No 8783 -- at a Council of Ministers it has been decreed:

Article 1. Decrees No 2785, No 2885, No 2985, and No 3085, and Government Agreement No 28585 of 9 April are suspended.

Article 2. This decree goes into effect immediately and will be published in the OFFICIAL GAZETTE. Issued in the National Palace, Guatemala City, 12 April. Let this be published and complied with.

[Signed] Division Gen Oscar Humberto Mejia Victores, head of state and national defense minister; Manuel de Jesus Giron Sanchez, secretary general to the head of state; (Erick Meza Duarte), deputy finance minister in charge of the Finance Ministry; Juan Humberto Mancur Donis, minister of agriculture, livestock, and nutrition; Leonel Hernandez Cardona, minister of economy; Luis Hugo Solares Aguilar, minister of communications, transport, and public works; Eugenia Tejada de Putzeys, minister of education; Fernando Andrade Diaz-Duran, minister of foreign relations; Carlos Padilla Natareno, minister of labor and social security; Gustavo Adolfo Lopez Sandoval, minister of interior; Dr Jose Ramiro Rivera Alvarez, minister of public health and social welfare; Alejandro Contreras Bonilla, minister of energy and mines

In addition, acting always in the framework of understanding, the head of state has decided to dismiss Dr Leonardo Figueroa Villate from his post. His replacement will be appointed soon.

The government hopes that as a result of these measures the motives noted by some sectors for carrying out acts of violence, for producing tendentious reports, and for promoting unrest in the country no longer exist. This is a time when we are building on the firm decision to hold general and completely free elections and to yield power on 14 January 1986 to whomever is elected president by the people on 27 October of this year. Ladies and gentlemen, thank you for your attention and good night.

'Price Gougers' Warned

PA131755 Guatemala City Cadena de Emisoras Unidas in Spanish 1130 GMT 13 Apr 85

[Text] Government authorities will conduct checks at all supermarkets, distributing houses, and stores in an effort to protect the public from paying unauthorized prices for staples and household products, the prices of which were raised in response to the taxes that were established, but that have now been abolished.

It has been reported that, taking advantage of the confusion that prevailed among consumers, shopkeepers and grocery store owners placed new price tags on their products yesterday, some of which were even 50 percent higher than established. Many people who needed these products were forced to pay for them at unauthorized prices. Those shopkeepers or store owners who are caught charging unauthorized prices for products will receive severe sanctions. The public has been asked to cooperate with the measure by reporting any irregularity.

Army Head Supports Mejia

PA131425 Guatemala City Cadena de Emisoras Unidas in Spanish 1150 GMT 13 Apr 85

[Text] The Guatemalan Army yesterday asserted that there will be no coup. The statement was issued by General Rodolfo Lobos Zamora, chief of the Army General Staff [deputy head of state]. The military leader said the Army is the party most interested in seeing the democratization process that is under way in Guatemala reach its conclusion. Gen Lobos Zamora said that the Army is united like granite and that it supports the measures adopted by the head of state.

RELATIVES OF MISSING PERSONS DEMONSTRATE AT PALACE

PA140005 Panama City ACAN in Spanish 2335 GMT 13 Apr 85

[Text] Guatemala City, 13 Apr (ACAN-EFE) -- A demonstration by relatives of missing persons ended in front of the Guatemalan government palace this afternoon without incident. The demonstrators were asking Head of State General Oscar Mejia Victores to clarify the recent deaths of two of the group's leaders. Bearing banners saying: "They were taken away alive; we want them returned alive," some 500 people began a march in front of City Hall, proceeded along Sixth Avenue, the main downtown artery, and concluded at the government palace.

When they passed in front of the National Police headquarters the demonstrators shouted: "Let the murderers be tried." They also honored the two members of the mutual support group who were killed recently. The two are Hector Gomez Calito, who was kidnapped on 30 March and found dead the following day, and Rosario Godoy de Cuevas, who died in a "mysterious" traffic accident.

The only incident occurred less than 500 meters from the place where the peaceful march began. At that point three unidentified people hurled a tear gas grenade from afar, but it exploded quite a distance from the demonstrators.

In front of the government palace the members of the group read a manifesto calling for the return of relatives who have been kidnapped or have disappeared in the past few years. To end the ceremony the demonstrators threw hundreds of white carnations in front of the main entrance to the National Palace.

HONDURAS

GEN LOPEZ REYES CITES 'PRESSURE' FOR COUP

PA140216 Buenos Aires LATIN in Spanish 0121 GMT 14 Apr 85

[Excerpt] Tegucigalpa, 13 Apr (REUTER) -- General Walter Lopez Reyes, chief of the Honduran Armed Forces, said today that the Army has been under pressure to stage a coup d'etat since the constitutional crisis broke out last month, but he promised to guarantee democracy.

"Everyone is trying to tell us what to do." Gen Lopez Reyes said. "There are groups and individuals trying to pressure the Armed Forces into staging a coup d'etat, but that will never happen," he added. Gen Lopez Reyes made these statements at the end of the closing ceremony of the tank exercises which comprise the first part of the joint U.S.-Honduran military maneuvers near the Nicaraguan border. "We would gain nothing with a coup d'etat. We are going to see that the president remains in power until the November election," Gen Lopez Reyes said.

FDN CONTRAS SAID TO THREATEN MEXICAN EMBASSY

PA131451 Managua Radio Sandino Network in Spanish 1200 GMT 13 Apr 85

[Text] Former Somozist guardsmen who are now members of the so-called Nicaraguan Democratic Force, FDN, have threatened to blow up the Mexican Embassy in Honduras, reliable sources have reported to the "Extra" newscast. Ronald Reagan's brothers [preceding word in English], who freely move about in Tegucigalpa's streets, have threatened to blow up the Mexican Embassy and to carry out attacks on the lives of the representatives of President Miguel de la Madrid's government if former counterrevolutionary Oscar Mondragon, who took asylum in that embassy several weeks ago, is not permitted to leave.

We have gotten in touch with the Mexican Embassy in the Honduran capital but (Raul Lopez Lida), charge d'affaires in the embassy, did not confirm or deny the report given to the "Extra" newscast by reliable sources.

[Begin recording] [Lopez] I do not have any news about that.

[Reporter] What about the negotiations so he can be returned to Nicaragua?

[Lopez] At this time we have no comment on that.

[Reporter] But it is said that you are making some efforts?

[Lopez] We have nothing to say in this regard. [end recording]

LIBERALS NOMINATE MEJIA ARELLANO FOR PRESIDENT

PA151400 Tegucigalpa Cadena Audio Video in Spanish 1245 GMT 15 Apr 85

[Decree No 3 issued by the Vicente Mejia Colindres Special National Convention of the Liberal Party of Honduras in Comayagua, Comayagua Department, on 14 April]

[Text] Whereas: The national convention is the supreme body and highest authority of the Liberal Party of Honduras.

By virtue of Article 30, section 6, of the Charter of the Liberal Party of Honduras, the national convention is empowered to elect the party's presidential candidate.

The delegates to the Vicente Mejia Colindres Special National Convention have, through their votes, expressed their preference for Oscar Mejia Arellano, nominated official candidate by the Rodista Liberal Movement,

Decrees:

1. Oscar Mejia Arellano is hereby nominated as presidential candidate of the Liberal Party of Honduras for the term 1986-90.

2. The Central Executive Council of the Liberal Party of Honduras is hereby instructed to register the name of Oscar Mejia Arellano with the National Electoral Tribunal as the official candidate of the Liberal Party of Honduras for the presidency of the Republic.

3. Presidential candidate Oscar Mejia Arellano will be advised of the issuance of this decree.

4. This decree enters into force as of the date of its issuance.

[Signed] Rafael Pineda Ponce, president; Mario Enrique Prieto Alvarado, secretary

NICARAGUA

DEFENSE MINISTRY SAYS U.S. 'MERCENARY' 'KILLED'

PA140020 Managua International Service in Spanish 2350 GMT 13 Apr 85

[Communique issued by the Defense Ministry on 13 April in Managua]

[Text] The Defense Ministry reports that in a clash between the Socrates Sandino Unconventional Warfare Battalion, BLI, and the Kirkpatrick Task Force on 27 March, in the place known as Bocana de Paiwas, 22 km southeast of Waslala along the Puma River, several mercenaries were killed. One of the mercenaries killed was wearing a dog tag used by the U.S. Army bearing the name Roger Patterson, No 419-96-7523, blood type: O positive, religion: Baptist. The Defense Ministry has delivered these documents to the Foreign Ministry for appropriate handling by the authorities.

[Signed] Managua, 13 April; Defense Ministry, Public and Foreign Relations Department

VISITING U.S. CONGRESSMEN OPPOSE AID TO CONTRAS

PA120240 Managua EL NUEVO DIARIO in Spanish 11 Apr 85 pp 1, 8

[Text] U.S. congressmen visiting Nicaragua met yesterday with President Daniel Ortega after visiting northern Nicaragua, specifically Jinotega Department. The U.S. congressmen visited the sectors where the CIA-armed and -trained counterrevolutionary groups have caused the greatest damage to the Nicaraguan civilian population and were horrified to hear the reprots from the peasants in those areas. The visitors also toured the settlements built by the government to protect the peasants fleeing the mountains where the contras destroy and kill.

Unofficial sources told EL NUEVO DIARIO that the U.S. congressmen reiterated their determination to firmly oppose U.S. financial aid for the cruel attacks against our country launched by the Reagan administration.

After meeting President Ortega, Edward Markey, who heads the delegation, said: "Our delegation is very pleased with the reception we have received in this country. We have come with hope for peace, and we are convinced that we will obtain the necessary votes in Congress against aid for the contras.

"I think that if we win on this issue we will be giving our peoples a new opportunity to live together. I also believe that President Ortega, Foreign Minister D'Escoto, and other government officials also consider this a good opportunity and that they are willing to cooperate so that we can all live together in peace."

Also present at the meeting were Mary McCrory, a liberal journalist from THE WASHINGTON POST, former CIA director Stansfield Turner; Jeffrey Price, foreign relations legislative assistant for the Committee Against Intervention in Central America, and Lieutenant John Buchanan, retired, an expert on Central American military affairs.

Delegation Ends Visit

PA140222 Managua Radio Sandino Network in Spanish 1200 GMT 13 Apr 85

[Text] U.S. Democratic Congressmen Bob Edgar and Ted Weiss left the country yesterday, convinced of the importance of resolving the problems and conflicts in Central America without resorting to military means. The two congressmen headed a delegation of U.S. citizens who visited Nicaragua for 3 days to learn about our people's real situation in the face of the imperialist aggression.

Weiss and Edgar met with Companero President Daniel Ortega Saavedra. Regarding the results of the meeting, Weiss said: I believe it has been very important because President Ortega has clarified his position on the development of the Contadora and Manzanillo talks. He has shared with us the contents of the letter he sent to the Contadora countries' heads of state. We applaud and view this letter as very important. For his part, Congressman Edgar said he was pleased by all the meetings he held with various political, social, and religious sectors of the nation and with the government's efforts to achieve peace.

COMMUNIQUE REJECTS REAGAN PEACE PROPOSAL

PA121701 Panama City LA REPUBLICA in Spanish 11 Apr 85 p 5

["Vox Populi" column by Luis Restrepo: "Nicaragua Rejects Reagan Proposal"]

[Text] The Nicaraguan Government has categorically rejected "President Reagan's latest peace proposal for Central America," as is clearly evident in the official Nicaragua Government communique on this subject. At the same time, President Reagan has increased diplomatic and economic pressure to force the Latin American governments to support the White House objectives. The Nicaraguan Government communique is as follows:

In a communique issued by the Secretariat of Press and Information of the Presidency, the Nicaraguan Government refuses to accept the proposal made on 3 April [date as published] by the U.S. President, who demanded a dialogue with the counterrevolutionaries who are financed, armed, and directed by a U.S. Government agency such as the Central Intelligence Agency. That proposal does not contain any substantially new elements and instead stresses the demand for a dialogue with the counterrevolutionary forces, something that is unrealistic since the principal destabilizing factor in the region is precisely the mistaken U.S. policy. It is for this reason that a bilateral dialogue, like that which was taking place in Manzanillo, must be undertaken and resumed.

The proposal is also out of line in ignoring the Contadora Group's affirmation that the Central American problems must be defined in terms of the relations among states, including the United States.

It is obvious that the proposal seeks, among other things, to divert the attention and to relegate to a secondary position the principle of nonintervention in the internal affairs of other states, which is stressed and defended by the Contadora Group. Nevertheless, the U.S. proposal goes further when it fails to recognize international law as the basis of any peaceful solution, just as the United States did when it rejected the ruling of the International Court of Justice in The Hague on the suit filed by Nicaragua against the United States.

At the U.S. domestic level, this proposal can be interpreted as a public relations maneuver taking place precisely at the same time the Reagan administration is facing a U.S. congressional vote on the economic aid, that is to say, the famous $14 million requested for the counterrevolutionaries. In this sense, Democratic leader Tip O'Neill said that this proposal is a "dirty trick" by the administration aimed at deceiving Congress in the face of the predicted rejection of its policy of financing the counterrevolutionaries. The proposal also seeks to ignore such facts as the existence of a legitimate and internationally recognized government in Nicaragua. It ignores the fact that there is active and real political and economic pluralism inside the country. It also fails to recognize that the national dialogue takes the form of debates within the National Assembly and is extended to the productive sectors, the Episcopal Conference, and Miskito leader Brooklyn Rivera, in resolving issues dealing with Atlantic Coast autonomy.

Nicaragua has expressed and reiterated its desire to continue the Manzanillo talks with the true leaders of the counterrevolution, that is to say, with the U.S. Government. The desire for national reconciliation is also shown by the Amnesty Law, which enables the counterrevolutionaries to surrender their weapons and rejoin the country's political and productive life.

IMPORTANCE OF CONTADORA MEETING STRESSED

PA112031 Managua Radio Sandino Network in Spanish 1200 GMT 11 Apr 85

["Beyond the News Reports" feature by Eligio Alvarez Montalban]

[Text] At a time when, not casually, Ronald Reagan has been organizing an alleged peace offensive through a plan bearing a typically Reaganistic stamp, the Contadora Group foreign ministers and their Central American colleagues are meeting today in Panama City. According to official sources, the finishing touches will be put on the Contadora Document for peace and cooperation in the region at this meeting.

This meeting is taking place after a recess forced by pressure and adverse circumstances to the Central America peace process. As a result of the meddling of a foreign power and an insignificant reason, Costa Rica, El Salvador, and Honduras refused to attend a 15 January Contadora meeting in San Jose, Costa Rica.

It is no secret to anyone that the peace effort of the Contadora Group -- which was founded in January 1983 by the initiative of the governments of Mexico, Venezuela, Colombia, and Panama to seek a peaceful solution to the Central American crisis -- has been a victim of the attacks and the sabotage of the Reagan administration, which has tried to impose its own interventionist schemes on the region, ever since the group began tackling its difficult tasks. This is clear even though Washington is falsely maintaining that it supports the peaceful plans of the Contadora Group.

There is no doubt that President Reagan, with his continuous interventionist policy in Latin America, views the Contadora Group the same way many of his predecessors viewed the efforts of Latin American nations to achieve unity and their own solutions to their problems without any foreign meddling. He sees the Contadora Group as the seed of a possible and future continental organization. Today, at the Central American level, the Contadora Group is striving to solve area conflicts without the meddling of foreign and hegemonistic powers that try to make interventionist policies legitimate, regardless of whether the intentions are good or bad.

It would be an unending task to list the obscure covert or overt maneuvers carried out by the Reagan administration against the good efforts of the Contadora Group, not only to neutralize it but also to eliminate it. To this end, it has worked with the complicity of several Central American Governments, whose identity is known to all.

This is why the meeting that will take place today and tomorrow in Panama City involving the Contadora Group and other Central American plenipotentiaries gains significance and greater importance. Without fear of erring, we could say that on this occasion, the fate and historical existence of the Contadora Group is at stake, expecially now that the White House occupant has, not casually, intensified his effort to destroy the Contadora Group by proposing an alleged peace plan for Nicaragua. The falseness of that plan is certainly covering up the legitimatization of a new interventionism as dangerous or more dangerous than previous ones.

Should this take place, it would not only mean the downfall of the Contadora process, it would also mean a new violation of the independence and sovereignty of Latin American nations. This is a precedent that would be difficult to overcome in the short-run.

PRESIDENT, DEFENSE MINISTER MEET PANAMA'S NORIEGA

PA131732 Managua Domestic Service in Spanish 1658 GMT 13 Apr 85

[Live report by Alfonso Amela Sanchez]

[Text] A meeting between President Daniel Ortega, Defense Minister Humberto Ortega, and Panamanian General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, has just ended. Here is our president, Commander Daniel Ortega, who will report on the outcome of these talks.

[Begin recording -- broadcast in progress] ...Nicaragua's position of willingness to hold talks at Manzanillo and with Contadora, and all the peace efforts that Nicaragua has undertaken. We believe that it is important that General Noriega know about all these things, because as you know, Panama is an important member of the Contadora Group. [end recording]

Noreiga Comments, Departs

PA131825 Managua Domestic Service in Spanish 1730 GMT 13 Apr 85

[Report by Luis Cabrera from Augusto Cesar Sandino Airport -- live]

[Text] Panama's Defense Minister [as heard] General Noreiga is about to depart. He is seen talking with Commander of the Revolution Humberto Ortega Saavedra at the Augusto Cesar Sandino International Airport after having met with Commander of the Revolution Daniel Ortega Saavedra, president of the Republic, as you just heard our companero president's statements.

Gen Noriega is now about to board his plane. Let us try to speak to him.

Good morning, General, we would like to know the reason for your visit.

[Noreiga] Good morning. We discussed with President Daniel Ortega the Central American situation, and he has voiced the Nicaraguan stand. As a member of the Contadora Group, it was very important for Panama to hear President Daniel Ortega'a ideas.

[Cabrera] General, what do you think of the latest letter sent by our companero president to the Contadora Group presidents and several Latin American and European leaders?

[Noriega] Our Foreign Ministry is studying Nicaragua's stand. Thank you.

[Cabrera] Thank you, General.

[Noriega] I am coming from Guatemala, I am touring Central America.

[Cabrera] Now Commander of the Revolution and Defense Minister Companero Humberto Ortega Saavedra is accompanying Gen Manuel Antonio Noriega to the Panamerican Air Force plane 501 that will take him to Panama. We will now give you again the names of the members of the delegation that visited Nicaragua for from 90 minutes to 2 hours: The Panamanian Defense Minister Gen Manuel Antonio Noriega is accompanied by Lieutenant Colonel Elias Castillo, Major Carlos Garcia, Captain Moises Girones, Captain Nicasio Lorenzo, and Lieutenant Severino Mejia.

URUGUAYAN PRESIDENT TELEPHONES DANIEL ORTEGA

PA111628 Managua Radio Sandino Network in Spanish 1200 GMT 11 Apr 85

[Text] This is a speical report for "Extra" newscast from Montevideo, Uruguay: Last night Uruguayan President Julio Maria Sanguinetti telephoned Commander of the Revolution Daniel Ortega Saavedra, the Nicaraguan president, to further help to bring about a reconciliation between the Nicaraguan Government and the United States.

The objective of Sanguinetti's call was not officailly revealed, but the call was made after the Uruguayan head of state spoke with his colleagues Raul Alfonsin of Argentina and Belisario Betancur of Colombia.

Sanguinetti and his South American colleagues are determined to achieve a resumption of dialogue between Nicaragua and the United States that is considered a fundamental factor in the achievement of peace in Central America.

The mediation effort promoted by Sanguinetti, Alfonsin, and Betancur was agreed upon in Montevideo on 1 March when intense negotiations to remove obstacles to the Contadora Group efforts took place.

ECUADORAN PRESIDENT FEBRES CORDERO BEGINS VISIT

PA141841 [Editorial Report] Havana International Service in Spanish 1812 GMT on 14 April begins to broadcast live the arrival of Ecuadoran President Leon Febres Cordero at the Jose Marti International Airport in Havana.

The announcer reports that the Ecuadoran president's plane lands at 1813 GMT and Cuban President Fidel Castro walks out to meet the plane at 1819 GMT. The official welcoming ceremony begins at 1821 GMT with the playing of the Cuban and Ecuadoran national anthems. The announcer reports that a 21-gun salute is performed and President Febres Cordero reviews the honor guard along with President Castro, and they then greet the ministers and diplomatic corps. No speeches are made and the officials and two presidents depart the airport at 1834 GMT.

Holds Talks With Castro

FL151142 Havana Domestic Service in Spanish 1145 GMT 15 Apr 85

[Text] Cuban President Fidel Castro received Ecuadoran President Leon Febres Cordero upon his arrival in Cuba yesterday afternoon. The Ecuadoran president is making an official visit to Cuba at the invitation of the Council of States and Government of Cuba. During the afternoon President Febres Cordero and Fidel visited the Los Naranjos livestock breeding farm in Caimito municipality in Havana Province. The Ecuadoran president's tour with Fidel resulted in an outstanding discussion of agriculture.

Last night, Febres Cordero paid his respects to our national hero Jose Marti by placing a wreath before his monument in Revolution Square. Also yesterday, official talks began between Commander in Chief Fidel Castro, president of the Cuban Councils of State and Ministers and Leon Febres Cordero, president of the Republic of Ecuador. Fidel gave a reception last night in honor of the Ecuadoran president at the Palace of the Revolution.

CASTRO MEETS UN SPECIAL COMMITTEE CHAIRMAN

FL121407 Havana Television Service in Spanish 1100 GMT 12 Apr 85

[Text] Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers, has met with His Excellency (Abdul Kuroma), chairman of the UN Special Committee on Decolonization, who reported the results of the Latin American seminar on decolonization held in Havana from 8-10 April. He handed over to Fidel a copy of a resolution expressing the participants' acknowledgement for the good conditions created for the success of the seminar.

Last night, the seminar participants also had a friendly meeting with Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers. They discussed various matters of world interest regarding political, economic, and social problems.

BOLIVIAN INFORMATION MINISTER ON VISIT

FL121554 Havana Domestic Service in Spanish 1000 GMT 12 Apr 85

[Text] In the city of La Paz, Bolivian Minister of Information Mario Rueda Pena has stressed the achievements of the Cuban revolution in the fields of health, education, and the economy. Upon his return to Bolivia after an official visit to Cuba, Rueda Pena said he was able to verify the great progress achieved by Cuban process. He said the progress is doubly praiseworthy because the Cuban Government has to assign resources to its defense because of the constant threat of aggression against Cuba. Shortly before his departure from Havana, Rueda said relations between the two countries will soon be strengthened by the opening in Havana of a Bolivian trade office.

MINISTER ISIDORO MALMIERCA ARRIVES IN ETHIOPIA

FL131524 Havana Domestic Service in Spanish 1044 GMT 13 Apr 85

[Text] Cuban Foreign Minister Isidoro Malmierca arrived this morning in Addis Ababa on an official and friendship visit to Ethiopia. He was met at the airport terminal by his Ethiopian counterpart Goshu Wolde.

'OUR AMERICA' ON FOREIGN DEBT, REAGAN PLAN

PA120141 Havana International Service in Spanish 2310 GMT 10 Apr 85

["Our America" commentary]

[Text] Two momentous issues are monopolizing attention in our America, and both are sources of real concern to governments and peoples: the unpayable foreign debt of over $3.6 trillion burdening the impoverished economies of the Latin American countries; and the permanent threat of imperialist aggression against Nicaragua, which has now been worsened by new and interventionist statements by President Reagan.

Concerning the unpayable foreign debt -- which was recently denounced by President Fidel Castro during an interview with the Mexican newspaper EXCELSIOR -- news reports date-lined Rio de Janeiro have noted that Brazil urgently requires loans in the amount of $3.5 billion just to pay the interest on its foreign debt this year. The Spanish news agency EFE has reported that, according to financial sources in the Brazilian Government, the surplus in Brazil's trade balance this year will be $8.5 billion, far less than that of 1984, which amounted to over $12 billion. Consequently Brazil, which has the largest debt in the world, will have to confront even more serious economic difficulties. Put simply and plainly, this means that servicing its foreign debt will be even more burdensome and the effects of the economic recession will also be even worse because of the adjustments program the IMF has imposed on Brazil. The unemployment rate in the industrial sector rose to 30 percent in recent years, and it will tend to grow during this year and throughout the 1980's. Consequently, the Brazilian people's social problems will grow, private investments will decrease, foreign exchange policies will become stricter, the authorization of dollars for payments abroad will be restricted, and imports will be limited. The situation will become desperate and overwhelming and confirm President Fidel Castro Ruz' thesis -- recently revealed to the newspaper EXCELSIOR -- which is that the Third World countries' gigantic external debt must be canceled. The Cuban statesman stressed that it would be unjustifiable to demand this sacrifice from the people, not to mention the amount of blood which would be shed to pay this fabulous amount of money.

There is another problem, of a different nature but equally legitimate and a just concern for Latin American peoples and governments: the U.S. Government's sustained aggression against Nicaragua. President Reagan has just revealed, wrapped in the hypocritical cellophane of a peace plan, a new aggressive and interventionist plan against the Nicaraguan Government. He refuses to recognize the sovereignty of that Latin American country and demands that the Nicaraguan Government open negotiations with none other than the Somozist counterrevolutionary forces who have murdered thousands of Nicaraguan youths, children, and women. President Daniel Ortega reiterated in Managua, with a dignity inherent in his high post, that his country rejects Reagan's ultimatum. The Mexican Foreign Secretariat said, through Deputy Foreign Secretary Ricardo Valero, that the plan and the way in which the United States continues supporting the Nicaraguan counterrevolutionaries have again provoked unrest that causes the situation in Central America to be one of even greater conflict. The influential Mexican newspaper EXCELSIOR praised the attitude adopted by its country's Foreign Secretariat and published an editorial in which the United States is accused of adopting an aggressive position and showing hegemonic impatience. Meanwhile, Luis G. Basurto, a Mexican editor working for the same newspaper, stated clearly what the U.S. President's plan is: We may very well call it a plan for death and destruction.

BURNHAM TO GO TO SFRY; POOR HEALTH DENIED

FL122216 Bridgetown CANA in English 2129 GMT 12 Apr 85

[Text] Georgetown, Guyana, April 12, CANA -- Guyana President Forbes Burnham leaves here tomorrow at the head of a 12-member government delegation for a one week official visit to Yugoslavia. Official sources said the visit reciprocates one here two years ago by Vidoje Zarkovic, a member of the Yugoslav Presidency, and will serve to further cement the bonds of friendship and understanding between the two countries. Burnham, whose left-leaning government has moved steadily towards the communist bloc over the past year, will then go on to Albania for three days. Guyana and the tiny Balkan state established diplomatic relations a week ago.

In Belgrade, Burnham will meet top Yugoslav leaders for an exchange of views on the present global economic conditions and the need for a new world economic order, the sources said. The discussions will also deal with ways in which the two countries can deepen already friendly relations, with emphasis on bilateral cooperation. Guyana and Yugoslavia are signatories to a 1983 protocol providing for bilateral cooperation in the economic, social, technical and scientific fields.

A presidential spokesman this evening denied that Burnham was going to Yugoslavia for medical treatment. A SUNDAY OBSERVER report last month said the Guyanese leader was suffering from diabetes and gangrene confined to his toes. Western diplomatic sources said Burnham flew to Cuba last year for medical treatment and was advised that he needed more specialised attention available in Yugoslavia. Government officials here, however, play down talk of the president's failing health. On March 28, a presidential spokesman said of the British newspaper report that it was not based on truth or facts, but declined to discuss the true status of Burnham's health.

Yugoslaiva has been helping Guyana develop its hydro-energy potential and the two countries have been cooperating in projects in gold and kaolin, a locally plentiful mineral substance used in the manufacture of ceramics. Government sources said Guyana officials specializing in these areas will most likely be included among the president's party.

Burnham's travel plans have not been announced in the media here.

POLICE BELIEVE SEIZED ROCKETS CAME FROM SURINAME

FL131330 Bridgetown CANA in English 1254 GMT 13 Apr 85

[Text] Georgetown, Guyana, April 13, CANA -- Guyana police are working on the theory that a quantity of military rockets they said were found in the possession of two men yesterday may have been smuggled in from neighbouring Suriname, a spokesman for the force said today. He declined to comment further. Nobody in officialdom here has yet said how many rockets were discovered or what was the suspected motive for bringing them here.

Yesterday's police statement said the weapons were found in the possession of two as yet unnamed men at Bloomfield and Mon Repos, both locations east of the capital, Georgetown, and separated by about 70 miles. The men were arrested and coastal police stations were placed on alert, the statement said.

In describing the weapons, the police said the rockets are designed for use against tanks and armoured vehicles and are considered lethal. They are green in colour and packed in cardboard cylinders inside of wooden cases with markings in the Portuguese language. Police have appealed to the public to contact the nearest station should they know of the whereabouts of any other rockets.

TRADE UNIONS WITHDRAW THREE CABINET MINISTERS

PM111154 Rotterdam NRC HANDELSBLAD in Dutch 5 Apr 85 p 5

[ALGEMEEN NEDERLANDS PERSBUREAU report: "Three Ministers Leave Surinamese Cabinet"]

[Text] The Hague-Paramaribo, 5 Apr -- Three of the four Surinamese trade union organizations, C 47, the Moederbond, and the CLO, yesterday withdrew their ministers from the cabinet of Prime Minister Wim Udenhout. This is the result of a conflict surrounding Labor Minister Edmund Dankerlui, who is the representative in the cabinet of the fourth trade union organization, the PWO.

At a press conference yesterday Army leader Bouterse said that an internal problem has grown into a national problem and that the military authorities consider "cooperation this form" to be undesirable. Bouterse added that the representatives of C 47, the Moederbond, and the CLO in the Surinamese Assembly "will resign or will be dismissed." The three trade union organizations met for internal consultations yesterday. However, the decisions they reached have not yet been made public.

The three departing ministers are Social Affairs and Housing Minister Siegfried Gilds, Public Works Minister Jainoel Abdul, and Education, Sciences, and Culture Minister Allan Lie Fo Sjoe. Deputies will fill their posts for the time being until the military authorities have discussed the situation with community organizations, including the three trade union organizations.

The conflict surrounding Minister Dankerlui had already been going on for a month. C 47, the Moederbond, and the Civil Servants Federation, CLO, had withdrawn their confidence in the minister and called for his resignation. It has never been made outwardly clear what the conflict is about, but Dankerlui is said to have caused irritation with a series of decisions. He is said to have dismissed personnel displeasing to him against the wishes of the trade union movement and acted as a representative not of the trade union movement but rather of the military authorities. There were also attempts to defuse the conflict through a cooling-off period, but his produced no solution.

Talks To Find New Ministers

PM111304 Amsterdam DE VOLKSKRANT in Dutch 9 Apr 85 p 5

[Unnamed correspondent report: "Herrenberg Tries To Fill Gaps in Surinamese Cabinet"]

[Text] Amsterdam -- Suriname's former Ambassador to the Netherlands, Henk Herrenberg, began consultative talks this weekend with the aim of filling the three vacant ministerial posts in the Udenhout government and the seats in the National Assembly which will soon fall vacant. Last week a government crisis loomed in Suriname after three ministers representing the trade union movement resigned. It is also probable that the trade union representatives in the National Assembly will have to resign.

According to sources at the Surinamese New Agency, SNA, Herrenberg, who is Army leader Bouterse's cabinet chief, has held talks with the Progressive Employees Organization, TWO, the Association of Surinamese Manufacturers, ASFA, the Association of Lawyers, the Society of Doctors, and the Society of Surinamese Industry and Commerce. At the end of last year the latter organization rejected participation in the second Udenhout government alongside the trade union organizations, ASFA, and the military authorities.

Last Thursday [4 April] three of the four trade union organizations, C 47, the Moederbond, and the CLO (which represents civil servants), withdrew their three ministers from the government after a conflict surrounding Labor Minister Dankerlui. The minister comes from the fourth and smallest trade union federation, the PWO. C 47, the Moederbond, and the CLO had called for Dankerlui's resignation, but the minister enjoys the support of the military authorities and the ASFA.

Herrenberg told the Surinamese media that he wants to investigate "which patriotic forces" are willing to support the revolutionary process and to shoulder government responsibility. He also said that he wants to talk with branches of industry and commerce which are not members of any central organization. Herrenberg said that he would be delivering a report to Bouterse Thursday. It is assumed in Paramaribo that the role of the trade unions in Surinamese politics now seems exhausted, although it is though to be out of the question that Herrenberg can expect support from lawyers and doctors.